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NOTICE TO READERS: An • indicates material not disseminated in electronic form.

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Japan

Trade Minister Nakao Arrives in U.S. for Talks

OW0205020591 Tokyo KYODO in English 0151 GMT 2 May 91

[Text] Washington, May 1 KYODO—Eiichi Nakao, Japanese minister of international trade and industry, arrived in Washington from Ottawa on Wednesday night.

Nakao will meet with Trade Representatives Carla Hills, Vice President Dan Quayle, Commerce Secretary Robert Mosbacher, and other U.S. leaders Thursday.

The Japanese minister, who earlier visited Britain, will leave Washington for New York Friday afternoon, and is due to arrive back in Tokyo on Monday afternoon.

Meets U.S. Trade Representative

OW0205160291 Tokyo KYODO in English 1515 GMT 2 May 91

[By Shiro Yoneyama]

[Text] Washington, May 2 KYODO—U.S. Trade Representative Carla Hills told Japan's trade minister on Thursday that the United States hopes to settle construction and semiconductor disputes with Japan before the "fast track" provision expires June 1.

Hills made the remark in a breakfast meeting with Eiichi Nakao, minister of international trade and industry, a senior Japanese official said.

The official said Hills also expressed the hope that the U.S. can conclude a multilateral steel trade agreement before this summer.

Hills' request for Japan's support in the settlement of bilateral construction, computer chip, and other key trade disputes came the day after President George Bush sent a letter to every member of the U.S. Congress seeking a two-year extension of fast track authority.

The trade negotiating authority requires Congress to vote on international trade agreements reached in forums such as the Uruguay Round without amendment.

Both the Senate and House of Representatives are expected to act on Bush's request for a fast track extension later this month.

Responding to the U.S. request for a resolution of the construction row, the Japanese official said, Nakao told Hills that the recent U.S. notice of potential punitive action against Japan runs counter to international trade rules.

Nakao also said Japan will fight against "keiretsu," or business groupings, and other collusive business practices if they are found to be in violation of the nation's antimonopoly laws.

U.S. officials declined immediate comment on the Hills-Nakao meeting.

The Japanese official said Nakao pressed for the successful conclusion of the Uruguay Round of global trade talks by the end of this year.

Hills sought Japan's cooperation in the protection of intellectual property rights, specifically calling for a global agreement on computer programs.

Nakao responded that the United States, Japan, and other industrialized countries should improve their laws as they ask developing countries to increase the protection of foreign intellectual property, the official told reporters, speaking on condition of anonymity.

Hills sought a ban on Japanese imports of sea turtles, the official said.

Although Japan has limited its annual imports to five tons this year from 20 tons in the past, an international agreement calls for a complete halt to trade in the endangered animals.

The official quoted Nakao as telling Hills that the Japanese Government will make a formal decision on the U.S. request by October.

Questioned by Nakao about expected U.S. action to penalize Japan for its sea turtle imports, Hills replied, "I have no choice."

Remarks on Sea Turtle Ban

OW0305043591 Tokyo KYODO in English 0408 GMT 3 May 91

[Text] Washington, May 2 KYODO—President George Bush's top advisers Thursday strongly urged Japan's trade minister to ban imports of endangered sea turtles before the United States is forced to take punitive action on May 19.

At a news conference, Japanese International Trade and Industry Minister Eiichi Nakao criticized the U.S. for threatening to take unilateral action against Japan, arguing the action violates international trade rules.

He hinted that Japan would announce a halt to imports of hawksbill shells in October.

But Commerce Secretary Robert Mosbacher told Nakao there is "no choice, no flexibility, no option" other than presidential action to curb imports of wildlife products from Japan.

Nakao said the sea turtle issue came up in separate talks with Mosbacher, Vice President Dan Quayle, and Trade Representative Carla Hills.

He said continued imports of endangered sea turtles would threaten "Japan's international credibility."

Quayle, who will visit Japan later this month, presented a list of issues that the two countries need to address in coming months, a senior Japanese official said.

The issues include the Uruguay Round of trade talks, auto part imports, access to Japanese construction and semiconductor markets, and sea turtles trade.

Michael Boskin, chairman of the President's Council of Economic Advisers, told Nakao that the U.S. is counting on "Japan's leadership" in successfully concluding the global trade negotiations, the Japanese official told reporters.

Boskin also said the American economy will come out of its recession in the next several months and begin to recover later this year, the official said.

The official said Boskin expressed concern about "credit availability" in the U.S.

Commerce Secretary Mosbacher said in his talks with Nakao that the U.S. auto industry's slump and the growing share of Japanese autos in the American market are serious problems and matters "of great concern" to the Bush administration.

Nakao said his talks with Mosbacher, Hills, House Speaker Thomas Foley, National Security Adviser Brent Scowcroft, and others led him to conclude that "there is strong sentiment against China" because of human rights abuses, widening trade imbalances, and Chinese exports of missiles to Algeria.

"I urged them not to isolate China internationally," the MITI minister said at his news conference. He said he made the same point during his visits to Britain and Canada.

Nakao, however, did say the Chinese Government has failed to markedly improve its human rights record.

Nakao said he suggested to Bush's advisers that Japan and the U.S. send a joint mission to the Soviet Union to help determine if economic aid to the Soviets is warranted. He said some Bush advisers supported the idea, but did not identify them.

Nakao and U.S. Energy Secretary James Watkins shared concern about the safety of Soviet nuclear power plants and agreed to help the Soviets improve their safety, a Japanese official said.

The official said Watkins called for a Japanese decision by September to participate in a super conductive collider project, emphasizing that Japan's role in the project is "critical."

American economic nationalists are opposed to Japanese participation in the project and other high technology programs in the U.S., saying it would lead to a giveaway of American technology to Japan.

Trade Expansion Pact Signed

OW0305035991 Tokyo KYODO in English 0338 GMT 3 May 91

[Text] Washington, May 2 KYODO—Japan and the United States on Thursday formally concluded an agreement which would encourage U.S. exports to Japan through cofinancing between official financial institutions of both countries.

Under the agreement, the two governments also will promote trade and investment to developing countries and cooperation between suppliers and banks of both countries.

Taking part in the unusual agreement to help reduce the U.S. trade imbalance are Japan's International Trade and Industry Ministry (MITI), the Export-Import bank of Japan, the Japan Development Bank, and the Export-Import Bank of the U.S.

"We can be fairly sure to deliver what we promised, 1 billion dollars in U.S. exports," said Yoshio Ichiryu, from MITI's export- import insurance division.

In addition, the two countries' combined efforts will find good investment and development projects in developing countries. "There are good candidates in Mexico, Thailand, and Indonesia" for trade in the areas of transportation and energy, Ichiryu said at a news conference.

Visiting MITI Minister Eiichi Nakao told Commerce Secretary Robert Mosbacher and other U.S. officials that Japan is prepared to offer a credit line of up to 1 billion dollars to Mexico's national petroleum company to boost oil production.

Japanese officials said the arrangement between Japan and Mexico will increase the chances of U.S. firms winning contracts for crude production and refining facilities.

Ministry Announces Relief Assistance to USSR

OW0205170191 Tokyo KYODO in English 1410 GMT 2 May 91

[Text] Tokyo, May 2 KYODO—Japan will extend 300,000 dollars in relief assistance to the Soviet Union following an earthquake that struck the Republic of Georgia last Monday, Foreign Ministry officials said Thursday.

The officials said the aid is a response to a request for Japanese assistance made on Wednesday by the Georgian government of Prime Minister Tengiz Sigua.

The quake in the northern part of the republic left about 140 people dead, more than 360 people injured, and destroyed some 17,000 houses.

The officials said Japan would study the possibility of dispatching relief personnel to Georgia, but no decision has been made yet.

99 Japanese, Family Members Return From Sakhalin

OW0305060991 Tokyo KYODO in English 0529 GMT 3 May 91

[Text] Wakkanai, Hokkaido, May 3 KYODO—Ninety-nine Japanese and their family members, who were left on the Soviet island of Sakhalin after the end of World War II, returned to Japan on Friday to be reunited with their relatives.

The 1,554-ton ferry boat No. 2 Soya Maru, carrying 85 female and 14 male Japanese with Soviet citizenship, arrived in Wakkanai port from the southern Sakhalin port of Korsakov.

Most of the returnees, who lost the chance to go home in the chaotic days after World War II, were making their first trip to Japan since the war. The group ranged in age from 84 to 31 years old.

The group of returnees was the largest since the end of the war. In two trips last year, 43 other Sakhalin Japanese visited their homeland, so with this latest trip, almost half of the 300 Japanese estimated still living in Sakhalin have visited Japan.

The first group of 12 Japanese Soviet citizens visited in May last year and the second group of 31 visited last September.

The returnees will leave for Sakhalin from Wakkanai on May 16 after traveling to 20 prefectures where they grew up. Among the prefectures they will visit are Hokkaido, Akita, Tokyo, Kanagawa, Aichi, Kyoto, and Osaka.

Opposition Issues Statements on Constitution

OW0205164691 Tokyo KYODO in English 1441 GMT 2 May 91

[Text] Tokyo, May 2 KYODO—Opposition parties, on the eve of Friday's holiday commemorating the nation's Constitution, released statements defending the nation's guiding document from attempts to alter or redefine it in the wake of the Persian Gulf war.

The Social Democratic Party (SDP) and Japan Communist Party (JCP) both described last week's dispatch of Japanese minesweepers to the Gulf as "a challenge" to the Constitution.

The Democratic Socialist Party (DSP) and the Komeito differ slightly in emphasis in their statements, arguing that Japan should strive to contribute to the world under the terms of the current Constitution.

The Constitution became effective May 3, 1947, during the Allied occupation of the country following World War II. Allied officials had decided the prewar Constitution would have to be drastically reformed to end the dominance of the military and to protect civil liberties.

One of the new document's most distinctive features, Article 9, renounces "war as a sovereign right of the nation and the threat or use of force as a means of settling international disputes."

The article also says that, in order to accomplish this aim, "land, sea, and air forces, as well as other war potential, will never be maintained."

Successive Liberal Democratic Party (LDP) governments have interpreted this as meaning that Japan can maintain such forces as long as they are limited to a purely defensive role.

The SDP claims that it is "no overstatement" to say that Japan's economic, social, and cultural development was made possible through the existence of the current "peace constitution."

The SDP says the government attitude of making decisions on issues such as the dispatch of the minesweepers before they are thoroughly discussed is "a serious challenge to the current Constitution."

"Japan must conduct itself in accord with the ideas expressed in the peace Constitution and make an active contribution to world peace," the SDP says in its statement.

The Komeito also calls for protection of the Constitution.

But it says it does not ascribe to what it called extreme interpretations, such as "pacifist isolationist philosophies" that regard Article 9 of the Constitution as ruling out cooperation in peacekeeping activities on behalf of the United Nations.

On the question of links between the Constitution and the U.N., the Komeito statement says the governing and opposition parties have reached the stage where they must discuss the barriers between them.

The JCP says the governing LDP's dispatch of minesweepers to the Gulf, "at a single stroke, tramples on the peaceful principles underlying the Constitution."

"There is no time more than now when action to protect the peaceful, democratic principles of the Constitution has been required," the statement said.

The Democratic Socialist Party said that, for Japan to "occupy an honored place in international society" as stated in the preamble to the postwar Constitution, it must make a contribution commensurate with the nation's resources.

Bank Governor Comments on G-7 Meeting Progress

OW0305095391 Tokyo KYODO in English 0851 GMT 3 May 91

[Text] Tokyo, May 3 (KYODO)—Bank of Japan Governor Yasushi Mieno on Friday reiterated that no accord was reached on a concerted cutting of official discount rates at Sunday's Group of Seven (G-7) discussions in Washington, suggesting that the latest U.S. interest rate lowering will have no direct effect on Japan's financial policy.

The United States lowered its official discount rate by 0.5 percentage point on Tuesday because of its own domestic conditions, the Central Bank chief told reporters upon his return from Washington earlier in the day.

Mieno said he believed the U.S. financial authorities took the action out of consideration for U.S. public sentiment, which he said would worsen if the U.S. economy should fail to recover by mid-year.

Touching on the G-7 statement issued on Sunday, Mieno said he does not think the statement overemphasizes economic growth.

At the same time, he said price stability and economic growth are not in a "trade-off" relationship, adding that stable prices would result in continued economic growth.

He went on to say that Japan's real interest rates are "not especially high."

Mieno also said domestic land prices are not necessarily declining and that land price trends should be taken into full account in policymaking.

North Korea

PRC's Li Peng Pays 'Official Goodwill' Visit

Arrives in Pyongyang 3 May

SK0305054691 Pyongyang KCNA in English 0519 GMT 3 May 91

[Text] Pyongyang May 3 (KCNA)—Li Peng, premier of the state council of the People's Republic of China, arrived here today by special plane for an official goodwill visit to Korea upon the invitation of Yon Hyong-muk, premier of the administration council of the Democratic People's Republic of Korea.

Premier Li Peng is accompanied by Luo Gan, secretary general of the State Council; Chi Haotian, chief of general staff of the Chinese People's Liberation Army; Huang Yicheng, minister of Energy; Li Lanqing, minister of foreign economic relations and trade; Xu Ruixin, deputy director of the General Office of the C.C. [Central Committee], CPC; Xu Dunxin, vice-minister of foreign affairs; Zhu Shanqing, deputy head of the International Liaison Department of the Central Committee of the Communist Party of China; and other suite members.

At the airport, thousands of people warmly welcomed the friendly envoy of the Chinese people, waving miniature flags of the two countries and bunches of flowers.

The guests were met by Premier Yon Hyong-muk, Vice-premier and Foreign Minister Kim Yong-nam, chief of general staff of the Korean People's Army Choe Kwang, Vice-premiers Hong Song-nam, Kim Pok-sin, Kang Hui-won, Kim Tal-hyon and Chang Chol.

Chinese ambassador to Korea Zheng Yi and foreign diplomatic envoys were present at the airport.

A welcome function took place at the airport.

Premier Li Peng, in company with Premier Yon Hyong-muk, reviewed a guard of honour of the three services of the Korean People's Army.

More than 500,000 people in the capital warmly welcomed premier Li Peng and his entourage along the route, waving miniature flags of the two countries, bunches of flowers and rubber balloons and dancing fan dance, lion dance and dragon dance.

Pak Hak-yon, permanent vice-chairman of the Pyongyang Municipal People's Committee, presented a Korea-China friendship statuette to Premier Li Peng at the plaza of the February 8 House of Culture.

Calls on Yon Hyong-muk 3 May

SK0305105191 Pyongyang KCNA in English 1031 GMT 3 May 91

[Text] Pyongyang May 3 (KCNA)—Yon Hyong-muk, premier of the Administration Council of the Democratic People's Republic of Korea, today met and had a friendly conversation at the Mansudae Assembly Hall with Li Peng, premier of the State Council of the People's Republic of China, who paid a courtesy call on him.

Present were suite members of Premier Li Peng.

On hand were Vice-Premier and Foreign Minister Kim Yong-nam, Vice-Premier Kim Tal-hyon, officials concerned and DPRK Ambassador to China Chu Chang-chun.

List of Attending Officials

SK0305110891 Pyongyang KCNA in English 1033 GMT 3 May 91

[Text] Pyongyang May 3 (KCNA)—Talks between Yon Hyong-muk, premier of the Administration Council of the DPRK, and Li Peng, premier of the State Council of the People's Republic of China, were held at the Mansudae Assembly Hall on May 3.

Present on our side were Vice-Premier and Foreign Minister Kim Yong-nam, Vice-Premier Kim Tal-hyon, chairman of the State Commission of Science and Technology Yi Cha-pang, vice-director of a department of the Central Committee [C.C.] of the Workers' Party of Korea Kim Yang-kon, Vice-Minister of People's Armed Forces Kim Kwang-chin, Vice-Minister of Foreign Affairs Cha Pong-chu and DPRK Ambassador to China Chu Chang-chun.

Present on the opposite side were Luo Gan, secretary general of the State Council; Chi Haotian, chief of General Staff of the Chinese People's Liberation Army; Huang Yicheng, minister of energy; Li Lanqing, minister of foreign economic relations and trade; Xu Ruixin, deputy director of the general office of the C.C., CPC; Xu Dunxin, vice-minister of foreign affairs; Zhu Shanqing, deputy head of the international liaison department of the Central Committee of the Communist Party of China; and Zheng Yi, Chinese Ambassador to Korea.

The talks proceeded in a comradely and friendly atmosphere.

Lays Wreath at Cemetery

SK0305111491 Pyongyang KCNA in English 1037 GMT 3 May 91

[Text] Pyongyang May 3 (KCNA)—Li Peng, premier of the State Council of the People's Republic of China, on an official goodwill visit to our country, laid a wreath in the Revolutionary Martyrs Cemetery on Mt. Taesong this afternoon.

Present at the wreath-laying ceremony were the suite vembers of the premier.

Also present were Vice-Premiers Kang Hui-won and Kim Tal-hyon, officials concerned and DPRK Ambassador to China Chu Chang-chun.

A guard of honour of the Korean People's Army lined up in the Revolutionary Martyrs Cemetery.

The national anthems of the DPRK and China were played and Premier Li Peng and his suite members laid a wreath in the cemetery amid the wreath-laying music.

The participants observed a moment's silence in memory of the anti-Japanese revolutionary martyrs who dedicated their lives to the sacred cause of national liberation and the freedom and happiness of the people and went round the cemetery.

Today Premier Li Peng laid a wreath before the Friendship Tower and went round it.

Editorials Mark Li Peng's Visit

SK0305054991 Pyongyang KCNA in English
0449 GMT 3 May 91

[Text] Pyongyang May 3 (KCNA)—The Korean people warmly welcome the official goodwill visit to the DPRK of Premier of the State Council of the People's Republic of China Li Peng, a friendship envoy of the fraternal Chinese people, say Pyongyang-based papers in editorials today.

Premier Li Peng is coming to Pyongyang today.

NODONG SINMUN stresses that his visit to Korea will powerfully demonstrate the resolution and will of the Korean and Chinese peoples to fight shoulder to shoulder to accomplish the common cause of anti-imperialism and socialist construction under the revolutionary banner of socialism.

The paper continues:

His visit to Korea will mark an important occasion in further tightening the bonds of fraternal amity and militant friendship between the two parties, two countries and two peoples of Korea and China. It will also greatly support and encourage the Korean people in the efforts for socialist construction and national reunification.

Korea-China friendship is a traditional friendship forged in blood in the joint struggle against imperialism and for the victory of the cause of peace and socialism and a solid friendship between class brothers closely united for the common goal and ideal.

The great leader of our people Comrade Kim Il-song and the great leader of the Chinese People Comrade Mao Zedong and respected Comrades Zhou Enlai and Deng Xiaoping established specially intimate relations long ago and constantly deepened them.

It is the unshakable position of our party and government to strengthen and develop the friendly and cooperative relations with the Chinese people.

Our party, government and people who cherish Korea-China friendship will do as ever all they can to consolidate the friendship with the Chinese party, government and people generation after generation.

New revolutionary changes are taking place in China. The brilliant achievements of the Chinese people in socialist construction and the growth of the might of socialist China give a great inspiration to the revolutionary people throughout the world and deal a heavy blow at the international reaction which runs against the current of history.

The party, government and people of China are making energetic efforts to reunify China under the policy of "one country, two systems."

The Chinese party and government consistently pursue a foreign policy of independence, sovereignty and peace, enjoy a high prestige in the international arena and make a weighty contribution to the cause of peace in Asia and the world.

The Korean people are sincerely rejoiced over the achievements made by the fraternal Chinese people in socialist construction under the leadership of the Communist Party of China with Comrade Jiang Zemin at the core and express firm support and solidarity for their just cause.

MINJU CHOSON stresses that Premier Li Peng's visit to Korea will mark an important occasion in developing to a new stage the fraternal relations of friendship and cooperation between the Korean and Chinese peoples, deepen the bonds of friendship and solidarity among Korean and other Asian people and make a great contribution to peace and security in Asia and the Pacific.

South Policeman's 'Declaration of Conscience'

SK0305111591 Pyongyang KCNA in English
1022 GMT 3 May 91

[Text] Pyongyang May 3 (KCNA)– Na Yun-song, a policeman of the 12th company of the 2nd mobile corps of the puppet Seoul City police bureau of South Korea who deserted the barracks called a press conference at the student hall of Yonsei University on the afternoon of May 2 in which he made public a declaration of conscience, according to a radio report from Seoul.

He said the murder of student Kang Kyong-tae made him feel skeptical about his own behaviour as a policeman and decide to publish a declaration of conscience so as to correct the present-day situation in which they must fight against students, the deserter said, and continued:

The murder of Kang Kyong-tae is not an accidental incident but a result of the offensive-form repression forced by the fascist clique. Since No Tae-u declared a "war against crimes", police has intensified this form of suppression of demonstrations.

Each platoon of the combat police corps and compulsory police mobile corps has two to three iron pipes and even more than 20.

The deserter strongly demanded that the combat police corps and the compulsory police mobile corps which have been reduced to terrorist organisations of the dictatorial "regime" must be dissolved and the No Tae-u "regime"

which considers that it can maintain itself only with the white bone group [paekkoldan, a plainclothes riot police unit] must resign.

No Tae-u Said 'Nervous' Over Student's Death

SK0305102591 Pyongyang KCNA in English
1000 GMT 3 May 91

[Text] Pyongyang May 3 (KCNA)—NODONG SINMUN today, commenting on the utterances of No Tae-u at "Chongwadae" on May 1 that the forces undermining law and order would be severely dealt with, says that the nature of the human butcher can never change.

Noting that a powerful wave of struggle of students and people of all walks of life denouncing the No Tae-u fascist clique's criminal murder of student Kang Kyong-tae of Myongji University is now sweeping South Korea, the news analyst says:

Under this situation, No Tae-u is getting nervous, afraid that the death of student Kang Kyong-tae shall give rise to the second June resistance just as the death of Pak Chong-chol and Yi Han-yol triggered off the June resistance that led to the downfall of the "Fifth Republic" dictatorship. Now he is intending to repress and stifle their struggle in advance, branding it as an act "damaging law and order".

Driven to the corner by a clear evidence of the murder of student Kang Kyong-tae, No Tae-u tried to save the situation by dismissing the "home minister" and mumbling that it was "an unhappy incident" and he "felt pang" at it. But, he lost no time in giving an order to resort to harsher bayonet suppression. He is a blood-thirsty murderer dwarfing Pak Chong-hui the "Yusin" dictator and Chon Tu-hwan the dictator of the "Fifth Republic".

Fascism and brutal murder can never be a way to save the dictatorial power from destruction but will only precipitate the miserable end of the dictator.

U.S. Aerial Military Exercise in South Noted

SK0305055391 Pyongyang KCNA in English
0515 GMT 3 May 91

[Text] Pyongyang May 3 (KCNA)—The U.S. Pacific Airforce Command staged a large-scale joint air strike exercise aimed at increasing the capabilities of air and ground strike at the North in the sky above South Korea on May 1, according to military sources.

Mobilized in the war game in the skies above Kongju, Anmyon Islet, Kangnung, Oeyon Islet, Sangdong, Yoju and Asan Bay of South Korea were formations of Pacific-based nuclear-capable F-15 and F-16 fighter-bombers and fighter-bombers, assault planes and observation planes of the U.S. Seventh Airforce and the puppet airforce such as F-16, F-4, F-5, F-86, A-37 and OA-10, more than 250 all told.

In separate action, the U.S. Pacific Command that day sent a Guam-based KC-135 tanker plane to the sky above Kwangju and Kunsan to stage an exercise for mid-air refuelling of formations of F-16s and OA-10s belonging to the U.S. Airforce present in South Korea.

On the same day, the U.S. imperialists deployed formations of Pacific-based F-15 fighter-bombers in the Kunsan airfield.

They let high-altitude strategic reconnaissance planes and army tactical reconnaissance planes such as U-2, RV 1, RC-12 and RF-4 fly above the areas along the Military Demarcation Line that day for an aerial espionage and photographic reconnaissance on the North side's areas.

Warplanes mobilized in the aerial war games in the sky above South Korea on May 1 alone totalled more than 660.

Significance of Kim Il-song IPU Address Viewed

SK0305112791 Pyongyang KCNA in English
1043 GMT 3 May 91

["Highly Important Guideline Which Indicates Way of Building Free and Peaceful New World"—KCNA headline]

[Text] Pyongyang May 3 (KCNA)—"For a Free and Peaceful New World," the speech made by the great leader President Kim Il-song at the opening session of the 85th conference of the Interparliamentary Union, is an inspiring banner which gives a powerful ideological and theoretical weapon to the progresive people who are struggling to make world politics democratic and build a free and peaceful new world, NODONG SINMUN today says.

The paper in a signed article quotes the great leader Comrade Kim Il-song as saying:

"Today, humanity finds itself at a new turning-point in historical progress. The old age of domination and subjugation that has lasted for thousands of years has come to an end, and a new age is being ushered in, the new age when all countries and all nations shape their destiny independently."

In order to build a free and peaceful new world, it is necessary to abolish the unequal old international order in all fields of politics, the economy and culture and establish an equitable new international order, the paper says, and goes on: All countries and nations are equal members of the international community and as such have rights to independence and equality. Neither privilege nor arbitrariness should be tolerated in international relations; friendship and cooperation among countries must be developed fully on the principles of mutual respect, non-interference in the affairs of other countries, equality and mutual benefit.

In order to build a free and peaceful new world, it is important to ensure peace, the common aspiration of humanity. In order to safeguard peace, all countries and nations must maintain independence, oppose policy of strength, and develop a powerful joint international struggle to prevent aggression and war. Disarmament and the abolition of nuclear weapons and other types of mass-destruction weapons are now the most pressing task in ensuring peace. Particularly, nuclear weapons must be dismantled first of all on the Korean peninsula which is fraught with the greatest danger of nuclear war.

The unity of the people throughout the world and cooperation among them are the guarantee for the victory of creating a free and peaceful new world. Independence, peace and friendship are the idea of the foreign policy of our Republic. This is of universal significance in developing international relations in conformity with the requirement of global independence.

Reunifying Korea is the vital requirement of our nation; it is an important question which must be settled in international politics. The Korean people's cause of national reunification is inseparable from the cause of the world people to build a free and peaceful new world.

Reunifying the country by means of confederation based on one nation, one state, two systems and two governments on the principle of independence, peaceful reunification and great national unity conforms with the wish of the Korean nation to develop independently as one reunified nation and meets the requirement of the present era of independence and peace; it is also the most feasible way of reunifying the country peacefully when different ideas and systems really exist in the North and the South.

Indeed, the speech of Comrade Kim Il-song is a highly important guideline which brightly indicates the way to be followed by mankind at present and a great work which most correctly reflects the aspiration and desire of the world people to build a free and peaceful new world, the paper stresses.

Trade, Cooperation Agreement Signed With USSR

SK2904055591 Pyongyang KCNA in English 0528 GMT 29 Apr 91

[Text] Pyongyang April 29 (KCNA)—A 1991 agreement on trade and economic cooperation between the governments of the DPRK and the USSR was signed in Pyongyang on April 28.

The signing ceremony was attended on our side by Kim Chu-song, vice-minister of foreign trade, and other officials concerned and on the opposite side by members of the Soviet Government trade and economic delegation led by A.I. Kachanov, first vice-minister of foreign economic relations, and Soviet Ambassador to Korea Aleksandr Kapto.

Soviet Reunification Committee Delegates Leave

SK0105031291 Pyongyang Domestic Service in Korean 1300 GMT 25 Apr 91

[Text] The delegation of the functionaries of the Soviet Committee for the Promotion of Korean Reunification led by its secretary Cho Yun-hoe, leaves Pyongyang by plane today. The functionaries of the relevant sector saw the delegation off at the airport.

Joint Statement of Soviet Union, Japan Viewed

SK0305045891 Pyongyang KCNA in English 0401 GMT 3 May 91

["Unfair Behaviour"—KCNA headline]

[Text] Pyongyang May 3 (KCNA)—NODONG SINMUN today carries a signed commentary titled "Unfair Behaviour", the full text of which reads:

The joint statement released at the end of the summit talks between the Soviet Union and Japan held in Tokyo some time ago, referring to the matter of peace and security on the Korean peninsula, expressed the "hope" that the DPRK would "sign the nuclear safeguards accord" with the International Atomic Energy Agency at an early date.

This might be regarded as a manifestation of concern over the danger of possible nuclear war on the Korean peninsula.

If this was a token of such good intentions, there is no need for us to take issue with it.

Judging from the composition of the Soviet-Japan joint statement and its tone, however, it appears that this was not merely out of such concern.

What causes our misgivings is, first of all, why the drafters of the Soviet-Japan joint statement only expressed the "hope" for the signing of the nuclear safeguard accord by us, the direct target of the nuclear threat, uttering not a word about the fact that more than 1,000 pieces of nuclear weapons of the United States are deployed in South Korea and, moreover, they are constantly creating the danger of a nuclear war, if they are truly concerned over the danger of a nuclear war on the Korean peninsula.

This is a unilateral demand ignoring our just and principled stand toward the conclusion of nuclear safeguards accord.

Not only once have we stated that we have no nuclear weapon nor want to produce it nor have the capacity to make it.

The drafters of the Soviet-Japan joint statement must have known about this stark reality.

Nevertheless, they unilaterally expressed "hope" only to us and kept mum about the United States and the South Korean authorities who are the very ones practically creating the threat of nuclear war. Why?

It cannot be regarded as an accidental "mistake" or a mere prejudice.

One may say that it is fair to regard it as a response to a request from a third party.

Today, the Korean peninsula is facing the greatest danger of a nuclear war and to remove this danger is directly linked to peace and security in Asia.

The government of our Republic has raised it as a vital question related to the survival and destruction of the nation to remove the danger of nuclear war from the Korean peninsula and signed the nuclear non-proliferation treaty to do away with the nuclear threat of the United States and get the U.S. forces and nuclear weapons withdrawn from South Korea and put forward a proposal to turn the Korean peninsula into a nuclear-free zone.

As regards the question of signing the nuclear safeguards accord, we have never refused it.

We have already reached an agreement in principle through sincere negotiations with the International Atomic Energy Agency and made all preparations for the signing of the accord.

The problem is that the United States which should refrain from a nuclear threat in view of the spirit of the nuclear non-proliferation treaty is pursuing a policy of nuclear blackmail against us despite our sustained efforts.

It must not go unnoticed that this treaty is binding on the United States, too.

The United States is not only seriously failing in its international duty to guarantee the security of non-nuclear states as a country possessed of nuclear weapons, with which the nuclear non-proliferation treaty is deposited, but also obstructing us by hook or by crook from having access to the signing of the nuclear safeguards accord.

Since our signing of the nuclear non-proliferation treaty the U.S. nuclear threat to us has not been removed, but has increased still further with every passing day.

The United States has not only deployed a large number of nuclear weapons in South Korea but has annually staged "Team Spirit" joint military exercises, a nuclear war game against our Republic, with the South Korean authorities.

Just before the Soviet-Japan joint statement was published, the South Korean puppet defence minister openly let out a provocative war blast threatening to make "a preemptive attack" on our non-existent nuclear facilities.

If the Soviet-Japan joint statement were to be a truly fair, realistic and pursuasive one, it should have paid attention to such grave situation and included the demand that the United States remove the nuclear threat to us and commit itself to the non-use of nuclear weapons.

The nuclear non-proliferation treaty presupposes its guarantee of security for non-nuclear states. So, if the U.S. nuclear threat to us is removed, we are ready to sign the accord any moment.

It will go down with nobody to urge us alone to sign the accord when the United States continues threatening us with nuclear weapons.

If both the Soviet and Japanese sides really want to take a fair stand toward the question of signing the nuclear safeguards accord, they should raise a demand with the United States which is obstructing the settlement of this question.

The Soviet and Japanese sides, however, failed to do so.

They might have been afraid to tell this to the United States which is bluffing, styling itself the only superpower these days.

In no way will their attempt to unilaterally put pressure on us alone, divorced from an unbiased stand, help settle the question.

If they sincerely hope for the settlement of this question, it is important to adopt an unbiased stand toward both sides.

The publication of such a joint statement that missed the mark like this only results in rather tarnishing the image of their signers than doing honor to them.

LSWYK Delegation Departs Pyongyang for Japan

SK3004233191 Pyongyang KCNA in English
1507 GMT 30 Apr 91

[Text] Pyongyang April 30 (KCNA)—A delegation of the League of Socialist Working Youth of Korea [LSWYK] led by chairman of its Central Committee [C.C.] Choe Yong-hae left here today for a visit to Japan.

It was seen off at the airport by Vice-Chairman of the C.C., the LSWYK Choe Hyon-tok and officials concerned.

SRV Party Leaders Cited on Strengthening Ties

SK0305062491 Pyongyang KCNA in English
0545 GMT 3 May 91

[Text] Pyongyang May 3 (KCNA)—Pham Van Dong, adviser to the Central Committee of the Communist Party of Vietnam [CPV], on May 1 when he met with the DPRK Government delegation led by Vice-President Yi Chong-ok, reaffirmed the steel-like determination of the Vietnamese party, government and people to firmly defend the cause of the great Korean people who are advancing under the guidance of the great leader Comrade Kim Il- song. Saying that the delegation's visit to Vietnam will contribute to strengthening and developing the friendly and cooperative relations between the parties, governments and peoples of the two countries, he congratulated the delegation on its successful visit.

Earlier, on April 30, the DPRK Government delegation met respectively with Nguyen Van Linh, general secretary of the Central Committee of the CPV, and Vo Chi Cong, president of the State Council.

They expressed full support to the Korean people's struggle to achieve the independent and peaceful reunification of the country free from outside interference.

Vietnam will further develop the friendly and cooperative relations between the parties, governments and peoples of Vietnam and Korea, they said.

Kim Yong-nam Meets Iranian Ministry Delegation

SK2904053191 Pyongyang KCNA in English
0504 GMT 29 Apr 91

[Text] Pyongyang April 29 (KCNA)—Vice-Premier and Foreign Minister Kim Yong-nam on April 28 met and had a friendly conversation with the delegation of the Foreign Ministry of Iran headed by its Director General M.R. Alborzi.

Kim Yong-nam Meets Tanzanian Foreign Minister

SK0305055191 Pyongyang KCNA in English
0458 GMT 3 May 91

[Text] Pyongyang May 3 (KCNA)—Talks between the government delegations of the Democratic People's Republic of Korea and the United Republic of Tanzania were held at the Mansudae Assembly Hall on May 2.

Present on our side were Vice-Premier and Foreign Minister Kim Yong-nam, Vice-Minister of Foreign Affairs Pak Ui-chun and other officials concerned and on the opposite side were the members of the delegation led by His Excellency Ahmad Hasan Diria, minister for foreign affairs and international cooperation, and Ferdinand K. Ruhinda, Tanzanian ambassador to Korea.

The sides informed each other of the situation of their countries and exchanged views on a series of matters of common concern.

The sides stressed the need to develop in depth the friendly relations between the DPRK and Tanzania on the basis of the special intimacy forged between the great leader President Kim Il-song and respected His Excellency President Ali Hassan Mwinyi and esteemed His Excellency Julius K. Nyerere.

His Excellency Ahmad Hasan Diria pointed out that the Korean people are now excellently building peculiar socialism of their own style and expressed full support to the proposals for turning the Korean peninsula into a nuclear-free, peace zone and for reunifying Korea by means of confederation based on one nation, one state, two systems and two governments.

The sides reached a complete unanimity of views on the matters discussed.

Kim Yong-nam Meets Danish, Polish Ambassadors

SK0105082691 Pyongyang KCNA in English
0808 GMT 1 May 91

[Text] Pyongyang May 1 (KCNA)—Vice-Premier and Foreign Minister Kim Yong-nam on April 30 met and conversed with Danish Ambassador to Korea Arne Belling when the latter paid a farewell call on him.

On the same day, he met and had a talk with Ryszard Baturo, Polish ambassador newly accredited to Korea, who paid a courtesy call on him.

Pak Song-chol Meets With Danish Ambassador

SK3004151391 Pyongyang KCNA in English
1504 GMT 30 Apr 91

[Text] Pyongyang April 30 (KCNA)—Vice-President Pak Song-chol today met and had a conversation with Danish Ambassador to Korea Arne Belling who paid a farewell call on him at the Mansudae Assembly Hall.

Present on hand was Cho Song-pom, vice-minister of Foreign Affairs.

International Peace Committee Arrives 26 Apr

SK2704102391 Pyongyang KCNA in English
1010 GMT 27 Apr 91

[Text] Pyongyang April 27 (KCNA)—A delegation of the International Trade Union Committee for Peace and Disarmament led by President Campbell Christie arrived here Friday.

It was met at the airport by Won Tong-ku, chairman of the C.C. [Central Committee], the General Federation of Trade Unions of Korea.

A party was given for the delegation in the evening.

Welcomed by Trade Union Chairman

SK0305060291 Pyongyang KCNA in English
0540 GMT 3 May 91

[Text] Pyongyang May 3 (KCNA)—A mass meeting was held here Thursday to welcome the delegation of the International Trade Union Committee for Peace and Disarmament.

Speaking at the meeting, Won Tong-ku, chairman of the C.C. [Central Committee], the General Federation of Trade Unions of Korea, recalled that the International Trade Union Committee for Peace and Disarmament has greatly contributed to the maintenance of world peace by carrying on the work for disarmament and conducting vigorous activities of exposing and denouncing arms race of the imperialists and multinational companies through U.N. and other international arena.

He highly praised the activity of the international trade union committee for peace and disarmament and expressed full support to and solidarity with it.

GFTU and all the workers of Korea will make more active efforts to build an independent, peaceful and prosperous, new world free from war hand in hand with the workers and trade unions of different countries in accordance with the idea of independence, peace and friendship, he added.

Speaking next, Campbell Christie, president of the International Trade Union Committee for Peace and Disarmament who is heading the delegation, said that even during their short stay in the DPRK they were deeply moved to see the great achievements the Korean people have made under the wise leadership of President Kim Il-song.

Noting that Korea has artificially been divided by the outside forces, he said they, together with all the progressive forces of the world, support the Korean people in the struggle for national reunification.

The United States and the South Korean authorities must positively respond to the initiatives made by President Kim Il-song regarding the situation of the Korean peninsula, he pointed out.

KCNA Review of 3 May Pyongyang Press

SK0305061191 Pyongyang KCNA in English
0525 GMT 3 May 91

[Press review]

[Text) Pyongyang May 3 (KCNA)—Papers here today carry photo- accompanied reports that the great leader President Kim Il-song received the Algerian parliamentary group delegation, the Egyptian parliamentary delegation, the Japanese parliamentary group delegation and the Italian parliamentary group delegation to the 85th Conference of the Interparliamentary Union [IPU] and a photograph he posed for with the reporters accompanying the Japanese parliamentary group delegation.

Given in the press is news that the dear leader Comrade Kim Chong-il was presented with a gift by the president of the national people's assembly of Algeria.

NODONG SINMUN says that President Kim Il-song of the Democratic People's Republic of Korea received a message from Fidel Castro Ruz, president of the Council of State and president of the Council of Ministers of the Republic of Cuba, in reply to his message of sympathy upon the heavy loss of lives in a train accident.

Carried in the press is a message of greetings sent by President Kim Il-song to Lech Walesa, president of the Polish Republic, on the national day of the Polish people.

Seminars on "Let Us Bring the Advantages of Socialism in Our Country Into Full Play," an immortal classical work of President Kim Il-song, were held abroad, says the press.

NODONG SINMUN runs an article on "For a Free and Peaceful New World," a historical speech of President Kim Il-song at the opening session of the 85th Conference of the IPU.

The paper rounds up voices of the world public highly praising the wise leadership of President Kim Il-song in setting a universal example in the revolution and construction.

The press informs the readers that President Kim Il-song received a letter from the participants in a meeting organised by the all India Indo-Korean Friendship Association and the Indian Committee for Supporting Korea's Reunification in celebration of April 15, April 15 celebrations took place in different countries and the Peru-Korea Institute of Culture and Friendship published a bulletin on the occasion of his birthday.

The world public speak highly of the great loving care and trust shown by Comrade Kim Chong-il for the working class, says NODONG SINMUN.

South Korean people highly praised the reality of the northern half of Korea, according to the paper.

Carried in the paper is a message of greetings sent by the Central Committee of the Workers' Party of Korea to the annual Congress of the WPI.

Li Peng, premier of the state council of the People's Republic of China, arrives in Pyongyang today. In this connection papers carry editorials welcoming a friendship envoy of the fraternal Chinese people and his profile.

NODONG SINMUN runs a signed commentary titled "Unfair Behaviour" which denounces the drafters of the joint statement released at the end of the Soviet-Japanese summit some time ago for having attempted to put unilateral pressure on the DPRK wile ignoring the DPRK's just and principled stand towards the signing of the nuclear safeguards accord.

Papers give an account of the fourth-day session of the 85th Interparliamentary Conference and a report that the participants of the conference saw the grand mass gymnastic display "singlehearted unity" performed by 50,000 school youth and children in Pyongyang.

It is reported in the press that talks were held between the Korean and Tanzanian Government delegations and a mass rally was held to welcome the delegation of the International Trade Union Committee for Peace and Disarmament.

The unified Korea team proved successful at the first-day matches in the individual event at the 41st World Table Tennis Championships, reports the press.

Papers inform the readers that about 50,000 students, workers and members of dissident organizations held rallies and demonstrations in South Korea on May Day, the protests against the murder of student Kang Kyong-tae are widespread in South Korea and the General Association of Korean Residents in Japan issued a statement denouncing the murder of the patriotic student.

The U.S. imperialists and the South Korean puppets continuously staged provocative war exercises against the North, says the press.

NODONG SINMUN comes out with a commentary denouncing the traitor No Tae-u for declaring that the offenders of law and order would be severely dealt with.

Papers report that a May Day celebration meeting was held in China and May Day was marked in developing countries.

NODONG SINMUN carries an article on the achievements made by the Chinese people in the efforts to realise socialist modernisation.

Foreign news columns of the press include reports that Ramiz Alia was elected president of Albania, two communist parties decided to merge in Yugoslavia, the Pakistani prime minister expressed the resolution to pursue the policy of self-reliance, the Congolese president called for consolidating national unity, measures are being taken in the Soviet Union to tide over the domestic crisis and Japan protested against the unreasonable decision of the United States concerning construction works.

NODONG SINMUN introduces economic briefs from Egypt, Zimbabwe and Ecuador.

MINJU CHOSON runs articles titled "'Unilateral U.N. Membership' For Permanent Split Must Never Be Allowed" and "Disarmament and Abolition of Nuclear Weapons Are Urgent Matter for Peace at Present."

South Korea

Soviet Envoy Says Proposal Not Military Pact

SK0305023091 Seoul YONHAP in English 0209 GMT 3 May 91

[Text] Seoul, May 3 (YONHAP)—The Seoul-Moscow treaty on good neighborliness and cooperation proposed by Soviet President Mikhail Gorbachev during his visit to South Korea last month is not designed to be a military pact, Soviet Ambassador to South Korea Oleg Sokolov said Friday.

"The treaty we are talking about is in no way designed to be some kind of a military pact or to cause any damage to the political and security arrangements which already exist between each of the sides and third parties," he said, speaking at a breakfast meeting sponsored by the Korea Newspaper Editors Association.

"Besides, specific language of any treaty is necessarily a product of accord between the signatories themselves. We, on our part, certainly do not view the prospective treaty as imposing any kind of new security or military alliance on the Republic of Korea.

"Rather, we view it as developing further the Moscow Declaration signed by Presidents Mikhail S. Gorbachev and No Tae-u last December, and raising the political and legal basis of our entire relations to a new level corresponding to their on-going dynamic surge."

Gorbachev stopped over on the South Korean island of Cheju April 19-20 on his way home from a trip to Japan. In the summit talks, their third in 10 months, Gorbachev proposed the treaty and President No accepted, and they agreed to let their foreign ministers work out the details.

Shortly after announcing the summit agreement, however, senior Korean officials, including No's press secretary Yi Su-chong, tried to tone down the accord, in an apparent move to dissipate any concern on the part of traditional friends such as the United States.

Sokolov, who participated in the Cheju Summit, said the No- Gorbachev meeting was "a remarkable and even unique development in international relations, its overall impact is that it has brought trust and good neighbourliness between our two countries to a new level."

"The very normalization and further enhancement of our bilateral relations makes, no doubt, a weighty contribution to a lessening of tensions and to a more stable and peaceful environment in this part of the world. Ultimately this will help fulfill the aspiration of all Korean people—your country's reunification," Sokolov said

In the speech entitled "Soviet-Korean Relations: After the Cheju Summit," the Soviet envoy also noted that his country urged "continued and productive" dialogue between South and North Korea because it believed this was the only path leading to reunification.

Turning to economic relations between Seoul and Moscow, Sokolov said there were good prospects to bring bilateral trade to 1.5 billion U.S. dollars this year and to 10 billion dollars by 1995.

"It was agreed at Cheju Island to step up investment cooperation, particularly in oil refining. A total of 48 major industrial and technological projects are now being discussed, including joint development of natural resources in the Soviet Far East and Siberia.

"As President Gorbachev put it in his report to the Soviet parliament after the Cheju meeting: 'The Soviet Union and the Republic of Korea can indeed create an original and efficient model for economic interaction, by integrating their potentials where they are mutually complimentary and where it is especially profitable and promising'."

NSP Chief Says 5 to 6 KGB Agents in Seoul

SK0305074691 Seoul YONHAP in English 0642 GMT 3 May 91

[Text] Seoul, May 3 (OANA-YONHAP)—Five to six Soviet KGB agents are currently operating in Seoul, South Korea's top intelligence chief revealed Thursday.

So Tong-kwon, head of the agency for National Security Planning [NSP], told the National Assembly Defense Committee that the KGB agents were posing as Soviet Embassy or airline employees, according to lawmakers attending the closed-door meeting.

South Korea and the Soviet Union normalized ties on Sept. 30, 1990. They exchanged trade offices in April 1989 and consular offices in February 1990. The Soviet Embassy opened in Seoul last Dec. 17.

Soviet Envoy Denies Secret U.S. Negotiations

SK0305052491 Seoul YONHAP in English 0506 GMT 3 May 91

[Text] Seoul, May 3 (YONHAP)—Soviet Ambassador to South Korea Oleg Sokolov denied Friday that the United States and the Soviet Union were having secret talks on removing nuclear weapons from South Korea.

There could not be secret talks behind closed doors under the new Soviet thinking, Sokolov said, denying any superpower talks regarding nuclear arms on the Korean peninsula.

In a question-and-answer session during a breakfast meeting sponsored by the Korea Newspaper Editors Association, the Soviet ambassador said the Soviet Union and the United States had clearly pointed out the nuclear danger and the need to eliminate it, but had not held secret talks on the issue.

The Japanese daily NIHON KEIZAI reported Thursday that high-ranking diplomatic and defense officials of the two superpowers had met several times since spring 1990 to discuss removing U.S. nuclear weapons from South Korea to prevent a nuclear buildup in North Korea.

North Korea has generated world-wide concern over its nuclear capability. It is said to be only a few years away from building a nuclear bomb and refuses to allow international inspection of its facilities. North Korea countered the international call for inspection by demanding the United States pull out its nuclear arsenal out of South Korea.

Sokolov said the Soviet Union was willing to provide South Korea and other countries with sophisticated military industrial technology and let them put it to commercial use.

He said the Soviet Union's weight as a military power would remain in Asia but that his country would not seek an advantage from conflicts with other countries.

The Soviet envoy said his government would maintain good relations with both South and North Korea in hopes of contributing to reducing tensions on the Korean peninsula and that Moscow thought a lasting and productive dialogue between the two Koreas was the only way to reunify the divided country.

Unification of the country would have to be achieved by the efforts of the Koreans themselves, but the Soviet Union would be doing its best, in the process, in helping create a favorable atmosphere, he said.

Ministry Official Denies Talks

SK0305134091 Seoul YONHAP in English 1245 GMT 3 May 91

[Text] Seoul, May 3 (YONHAP)—A South Korean Foreign Ministry official on Friday denied a recent report by Japanese daily NIHON KEIZAI that the United States and the Soviet Union are having secret talks on removing U.S. nuclear weapons from South Korea in a bid to prevent a nuclear buildup in North Korea.

"The report turned out to be totally unfounded as a result of inquiring of the governments of the related countries whether it was true," said the official who asked not to be identified.

"The issues directly linked to our security can never be settled without prior consultations with our government and the countries concerned proved to be fully understanding our position," he told reporters.

Official Predicts North Flexibility in UN Issue

SK0305020591 Seoul YONHAP in English 0130 GMT 3 May 91

[Text] Seoul, May 3 (OANA-YONHAP)—North Korea has hinted at shifts in its national unification policy and is predicting flexibility in its U.N. membership formula, So Tong-kwon, chief of the agency for National Security Planning (NSP), said Thursday.

So, testifying before the National Assembly Defense Committee in a closed-door session, said North Korea had hinted its willingness to adjust its Koryo confederal unification policy, a committee member revealed.

Given these signs, Pyongyang could change its position on U.N. membership and agree to simultaneous but separate entry into the global body, the intelligence head was quoted as saying.

North Korean officials, in talks with South Korean lawmakers visiting the North Korean capital for the Inter-Parliamentary Union meeting, indicated a move toward giving greater power to local governments on military and diplomatic matters, the NSP head told the committee according to Rep. Yu Chun-sang of the main opposition new democratic union.

Pyongyang would be hardly able to adhere to its long-held principle that South and North Korea are "one nation" as it tries to normalize ties with Japan, he reportedly said in the committee.

So was quoted as saying North Korean heir-apparent Kim Chong-il, eldest son of President Kim Il-song, was handling all state affairs and had a virtual control of the military, leaving only a procedure for formal inheritance of power.

In testimony before the foreign affairs-unification committee, Unification Minister Choe Ho-chung said China was unlikely to veto South Korea's application for U.N. membership this year and would be able to convince North Korea to join as well.

Choe, who is also a vice prime minister, said the government was taking measures to adopt a non-aggression pact with North Korea when the inter-Korean prime ministers' talks resumed.

The government would also make a framework for the so-called three cross-border exchanges—cross-border communication, trade and travel—to expedite improvement of inter-Korean relations, Choe said.

More on Visit of French Prime Minister Rocard

France To Support UN Entry Bid

SK0305082191 Seoul YONHAP in English 0712 GMT 3 May 91

[Text] Seoul, May 3 (YONHAP)—French Prime Minister Michel Rocard reaffirmed Friday that France would support South Korea's bid to join the United Nations and would try to promote economic cooperation between the two nations.

Rocard, the first French premier to visit Seoul since 1985, ruled out prevailing rumors that France sought an advantage in Korea's multibillion-dollar rail project in exchange for support for U.N. membership.

"Rather, it is a return visit to President No Tae-u's official visit to Paris in November 1989," he told reporters.

France has been behind Korea for a long time in various ways, as was symbolized by French participation in the Korean war, he said.

French Foreign Minister Roland Dumas recently visited Beijing, where he discussed U.N. membership of the two

Koreas and was told China considered a revolving seat shared by the two Koreas unworkable and would exercise its influence on North Korea to drop its diehard stance, Rocard said.

North Korea insists separate seats would perpetuate the division of the Korean peninsula and wants to share a seat.

France, as a permanant member of the U.N. Security Council, would spare no efforts to back a South Korean application for full membership of the world body, as befits its international reputation, he said.

Shifting from political relations, which he called relatively amicable, to economic cooperation, he saw much to be improved.

"France lost four big contracts last year despite its position as the 11th trade partner of Korea and it hurt the feelings of French businessmen," he said.

Rocard focused on Korea's high-speed rail project, linking Seoul and the southeastern port city of Pusan by 1998, the single largest construction project in Korean history.

He said choosing a contractor was all up to Korea and that whatever decision the Korean Government made it would not undermine political and diplomatic relations between Paris and Seoul.

It was a matter of economy, Rocard said, admitting Japan's Shinkansen would save Korea money because it was designed to run on established track beds.

"France's TGV is not competing with Japan's Shinkansen and Germany's ICE as widely perceived. TGV is way ahead of the two in technology and a speed of 300 kilometers per hour," he said.

If Korea is future-oriented, the TGV has overriding benefits that can quench the Korean thirst for high technology, he said. The cost, though, would be a huge 6 billion dollars.

"France is ready and willing to transfer state-of-the-art technologies to support the rail project," he said.

To finance the project, France had even considered forming an international consortium and he was optimistic about repayment as the Seoul-Pusan line carries 120 million passengers a year, sufficient for commercial viability.

Earlier in the day, Rocard attended the inauguration of the Korea-France business leaders club, which he said he hoped would contribute to promotion of economic cooperation between the two countries.

He visited the National Assembly and found seats set aside for North Korean politicians.

"I dream of the day when South and North Korean politicians will sit together in the National Assembly," he said.

Rocard leaves Friday evening after a three-day visit.

Visit to Seoul University Canceled

LD0205203691 Paris Antenne-2 Television Network in French 1800 GMT 2 May 91

[Excerpts] In South Korea one of the two students who set fire to himself the day before yesterday has died of his burns—an event that will obviously again spark off unrest in this country, already deeply disrupted by unending violent demonstrations. As a result Michel Rocard was forced to cancel his visit to Seoul University. A report from our special envoy Roland Sicard:

[Begin recording] [Sicard] [passage omitted] Korea wishes to find international respectability. Split between communist north and liberal south since 1945, the country has never been able to join the United Nations. South Korea now wants now to find its place. France is ready to help her.

[Rocard, addressing officials at a banquet] It is essential for Korea to be able to quickly find its place inside the United Nations Organization. I know that the conditions of this joining will be the object of hard bargaining, probably as early as this autumn. In this context, Korea can rely on France's support.

[Sicard] Michel Rocard is also here to talk business. The Koreans want to see the building of a high speed train: [network] in Korea: France with its TGV [high-speed train] is facing German and Japanese competition. A market that might yield 10 billion francs if it were won, a business that cannot be neglected. [end recording]

'Complaints' of Investors in Thai Projects Noted

SK0305100691 Seoul YONHAP in English 0825 GMT 3 May 91

[By Yi Yong-chol: "High Land Prices Frustrate Ambitious Project"—YONHAP headline]

[Text] Bangkok, May 3 (YONHAP)—Day after day, delay after delay, the progress is frustratingly slow and the results are disappointing.

More than two years have passed since the Bangkok-based Kota Group unveiled an ambitious 200 million-U.S.-dollar project to build one of Thailand's largest industrial complexes in the city of Ayutthaya, the ancient capital of Siam.

Kim Chun-sik, founder of the conglomerate, hoped to attract 90 companies from his native South Korea to set up shop on the 486 acres (195 hectares) of land, but applications have reached barely half the target.

Construction was scheduled for completion by last month, but the first spade of earth has yet to be dug. Kota now says it hopes to begin work this September.

"We hear it said all over the Korean community here that Kota talks big and does nothing," says Kim Han-chu, an executive director of the group.

Part of Kota's troubles are attributable to skyrocketing land prices around Ayutthaya, 38 miles (62 kilometers) north of Bangkok, as well as to a cash crunch and opposition from residents.

"Real estate prices went up fourfold or fivefold last year alone," Kim said.

Soaring land prices have been a considerable threat to the Thai economy since 1987, when foreign investments, the locomotive pulling the economy along, jumped more than 4.5-fold in value from a year earlier.

Yi Chun-yong, deputy director of the Korea Trade Center in Bangkok, says that rent and real estate prices near the capital have more than doubled each year since then, discouraging South Korean investors in pursuit of cheaper production costs.

Thailand continued its drive to join the ranks of the so-called newly industrialized economies [NIE] of Asia, alongside South Korea, Taiwan, Hong Kong and Singapore. The Thai economy grew 9.5 percent in 1987, 13.2 percent in 1988, 12.3 percent in 1989, and 10 percent in 1990. Growth is projected at 9 percent this year.

Applications to invest in Thailand, in contrast, fell 25.6 percent by number of projects and 31.2 percent in value last year from 1989.

Applications from Korea plunged from 39 projects for 9.48 billion dollars in 1989 to 28 projects for 3.21 billion dollars in 1990 and four for 163.2 million dollars in the first quarter of 1991, according to Board of Investment (BOI) statistics.

"We expect Koreans to increase investments," says Wanchai Mahatanankoon [name as received], BOI's information director. "We welcome all kinds of foreign investments, which will help our economy and exports."

As of the end of last September, 75 Korean firms had won BOI approval for investments. Korea was listed No. 12 among foreign investors last year, down from No. 10 in 1989.

"Just two years ago, Korean investments were so active you could call it a big rush," Yi said. "But things have changed. Investors now appear more interested in Indonesia for the best choice."

Korea's investments in Indonesia soared 2.7-fold in 1989 and rose 56.7 percent last year. Four of nine Korean firms operating in Bangkok said they arrived too late to take advantage of low production costs, according to a recent survey by the Korea Institute for Economics and Technology.

Yi blamed the ebb tide on high labor costs and land prices, lack of skilled workers, transportation bottlenecks, shortages of electricity and communications problems.

Wages are rising over 10 percent annually and monthly income for an unskilled worker averages 90 dollars, one-third a South Korean worker's pay but twice an Indonesian's. Local economists argue that Thai workers are still cheaper than Indonesian workers in terms of productivity, or pay against output.

In an investment seminar in March sponsored by the Korea Trade Center in Bangkok, Sammi Sound Tech. Thai Ltd. Corp. said it had an absentee rate of 5 percent on normal work days, 10 percent on Mondays and Saturdays and 15 percent before and after a festive season. Similiar high rates were reported by other companies.

A Sammi official complained that the language barrier and lack of engineering skills made it extremely difficult for Korean managers to teach complicated production processes to Thai workers.

"Like monkeys, we must resort to a mimic-and-repeat method," he said. Sammi started operation in 1988 and turns out loud speakers. "It usually takes three months to train a newcomer to place at production lines."

A manager at H.S. Corp., a footwear manufacturing company, said Thais were entitled to have at least one month paid vacation a year and two months maternity leave just like rich Europeans.

Thailand's labor law was modeled after that of industrialized nations, so it could put factory operations in jeopardy, he said.

He commended Thai labor, in other aspects though, calling Thai workers more productive, cooperative and talented than their counterparts in other Southeast Asian countries.

For all the complaints, Thailand has persistently pursued an open-door policy to attract foreign capital to make use of its great economic resources, harnessing a population of 55 million with rich agricultural, fishery and energy resources.

The key note has not changed in tone or tempo since the coup in February.

"The change of government does not change the foreign investment policy," BOI official Mahatananankoon said.

The labor union of public workers was dissolved in April, reflecting the military junta's firm will to maintain the accent on economic development at all costs. The junta is also expected to spur development of social infrastructure, which has failed to keep pace with economic expansion.

Some 100 billion baht (4.2 billion dollars) was earmarked to improve the electricity supply rate from 11 percent in 1989 to 16 percent this year. The government also set aside 48 billion baht (2 billion dollars) for a better telephone service.

The front-runner to be the next NIE is faced with two challenging tasks that cannot be completed in a brief time: education of specialists, and research and development.

Despite rich human resources for simple jobs, the country has not enough technical experts and management executives to meet the demands of its dynamic economy. Thailand graduates 3,000 people annually from engineering colleges, far short of industry's demand for 10,000.

Leaning on foreign technology, virtually no business had spent money and energy on a creative project until the Siam Cement Co. opened a research institute in 1988.

Nine out of 10 cars in Bangkok are Japanese. Thai investments accounted for only 20 percent of the total in 1990, and Japanese investments took 44 percent.

Many Thai intellectuals believe 18 Chinese families control 30 percent of the economy in chummy relations with government officials, and the pure Thai economy is sustained by nothing but tourism and rice exports.

Thailand's high-speed foray into the NIE group, or on to a more prestigeous economic plane, may prove a waste of energy unless the Thai people successfully increase their economic independence in parallel with the gross national product.

Polish Ambassador Views Relations With South

SK0305004691 Seoul THE KOREA HERALD in English 3 May 91 pp 8, 9

[The following article is contributed to The KOREA HERALD by Polish Ambassador to Korea Jedrzej Krakowski on the occasion of Poland's National Day today]

[Text] It is a great pleasure to address our Korean friends on the occasion of Poland's National Day.

The 3rd day of May commemorates Poland's first constitution adopted exactly 200 years ago, in 1791, as a political response of our nation to the external threat to our national independence. During the partition of Poland "The May 3rd Constitution" became a symbol of national reconciliation and the will of the Polish nation to rebuild our democratic and independent state. Abolition of communism in 1989 allowed Poles to celebrate May 3rd again as a National Day, after it was forbidden under the Communist regime.

The resolution of the May 3rd Constitution was an important attempt to modernize the Polish state and the society. Today this historical event inspires our nation in its tremendous task to overcome the disastrous Communist legacy. Only after 18 months since the abolishment of the Communist regime, much has been already accomplished.

Polish society has regained all democratic rights and freedoms. All political forces are free to participate in reconstructing the laws and institutions of parliamentary democracy. The President of the Republic was elected in a fully democratic, popular election. A new constitution is currently being drafted and it will be introduced by a new Sejm (Parliament) which will be elected later this year. Grass-roots democratic institutions of local autonomy and self-management have been working since the local elections were held in June last year.

Together with deep political changes Poland has been introducing profound institutional and structural changes, laying foundations for a modern market economy. These changes, together with stabilization efforts, have already brought significant results. Inflation has been reduced to a manageable level and shops and markets are full of commodities. The currency became convertible and the exchange rate has stabilized. The recently initiated privatization of state-owned industry and a liberal law on foreign investments facilitate elimination of management inefficiency.

These are visible signs and features of the economic order which Poland wants to establish. However, the Polish economy has just started its way toward a free market and industrialized countries' economic standards. The success of this process, because of its complexity, necessitates the support and solidarity of the international community of free nations.

The recent reduction of Poland's debt and implementation by OECD countries and the Republic of Korea of various programs assisting the systematic transformation of Poland's economy as well as Poland's soon expected association with the EC are evidence of that support and solidarity. We firmly believe international assistance, combined with the determination and efforts of the Polish nation will result in breaking down all economic and social barriers between Poland and Western Europe.

This aim is regarded as a realistic possibility and it can be achieved by the end of this century, though it seemed like a dream less than two years ago for the people of Poland as well as Czechoslovakia and Hungary, the countries in situations similar with which Poland cooperates very closely. Our success could be an important contribution to overcome the Communist past in all Central and East European countries and to the formation of unified Europe encompassing all new democracies.

I believe that this new perspective makes Poland an interesting partner for dynamic Korea. And the great Korean achievements, telling how much it is possible to accomplish within the life of only one generation, encourage us to increase our own efforts and to tighten our relations with the Republic of Korea in all fields. As Poland's first Ambassador to the Republic of Korea I take a great satisfaction from their rapid expansion.

The volume of trade, an important indicator of economic cooperation, more than doubled last year, bringing the level of trade to $204 million. I am sure that immediately after economic stabilization targets in Poland are achieved, mutual trade will grow even faster. And Poland will start utilizing investment credit facilities which have been extended to us by the government of the Republic of Korea.

We are very grateful to the Republic of Korea for all other forms of assistance, like the invitations for Polish participants in various training programs as well as the Korean contribution to the recently established European Bank for

Reconstruction and Development whose aim is to finance and facilitate the transformation of Central and East Europe.

With rising trade, new forms of economic cooperation usually flourish. Poland, with her central geographical position in Europe, abundant natural resources and cheap but highly qualified labor force, offers to Korean firms very profitable business opportunities and excellent conditions for direct investments. Recently the first two Korean-Polish joint ventures have been established, the others are under negotiation.

Poland and Korea are victims of the arrogant and shameful Yalta agreement. Due to this historic misfortune, our two nations could not contact each other for a long time. Modern means of communication and transport which are breaking down geographical distance and barriers can, however, help us to make up for lost time. We have to do this, and not only in the economic field. We must develop an institutional framework facilitating and promoting scientific, cultural and educational exchanges.

Whenever I meet new Korean friends, after some time we usually start talking about the many historical similarities of our two countries. They help us to understand easily each other's cultures and traditions. They contribute greatly to mutual understanding and support the wishes and aspirations of both our nations. These historical similarities also strengthen the great sympathy and full support of the Polish nation and government for the unification of Korea.

Stricter Regulations on Land Speculation Given

SK0305002391 Seoul THE KOREA TIMES in English 3 May 91 p 8

[Text] The government has flexed its muscle against the nation's large business groups, with a toughest step yet to put the brake on the rampancy of land speculation by enterprises.

The Ministry of Finance yesterday came up with a package of additional measures to place greater financial sanctions upon businesses failing to comply with President No Tae-u's order for the disposal of non-business lands owned by conglomerates or "chaebols."

To be specific, enterprises which have not sold off the non-business lands as requested by the government will have their bank credits frozen at the level of outstanding balance as of May 8. The freeze of credits, often loans plus payment guarantee, will be actually applied for 40 enterprises affiliated with 22 chaebols from May 8.

The strongest-ever action came upon reports that some of chaebols have been reluctant to sell off undeveloped real estate they hold for non-productive business on May 8 last year when a set of special directives for land disposal was handed down to major business groups. The May 8 package was introduced from the judgement that the Korean economic hardships entirely owe to wild realty speculation and the speculative deal has been led by big enterprises.

Yesterday's additional punitive step was endorsed in a meeting of economic ministers, chaired by Deputy Premier-Economic Planning Minister Choe Kak-kyu, following a special instruction from President No.

Another salient feature of the May 2 step is to place greater restrictions in the selection of core lines for business specialization for groups failing to dispose of their non-business land until the end of this month.

The number of core businesses for these uncompromising chaebols will be restricted to one.

Under the newly-devised credit rules, 30 major chaebols are to designate up to three core businesses which they would intensively foster without bank credit control. The nurturing of specialized business is in line with the government's strategy to enhance the competitiveness of the domestic manufacturing industry.

The business groups facing disadvantages in the selection of core businesses number 17. They are Hyundai, Lotte, Daewoo, Hanjin, Ssangyong, Korea Explosives, Dong Ah Construction, Doosan, Dongkuk Steel, Hanil Synthetic Fiber, Kumho, Sammi, Dongbu, Kukdong Oil, Byucksan, Oriental Chemical, and Jinro Group.

Under the May 2 step, the government has also taken practical measures against some major chaebols in a bid to discourage their real estate transactions. For example, the government waived giving permits for building a leisure compound (27,000 pyong) in Chamsil, southern Seoul, known as the second Lotte World, planned by the Lotte Group, and construction of a company office building (4,000 pyong) by a subsidiary of Hyundai Group in Yoksam-dong, southern Seoul. One pyong is 3.3 square meters.

A vast forestry (17,134,000 pyong) in Mungyong, Kyongsangpuk-to, owned by Daesung Consolidated Coal Mining Co. and a 3.9 million-pyong pasture will be sold to the state through either the government-financed special accounts for national treasury or Korea Land Development Corporation.

The 22 business groups confronting credit freeze included well-known chaebols including Hyundai, Daewoo, Hanjin, Ssangyong, Korea Explosives and Dong Ah Construction Co. Lucky-Goldstar, Lotte, Hanil, Kumho, and Jinro Group were also included.

Brunei, Malaysia & Singapore

Malaysia

Island in Disputed Spratlys Opened to Tourism

BK0305073091 Kuala Lumpur International Service in English 0600 GMT 3 May 91

[Text] Malaysia is opening an island to tourism in an area of the South China Sea also claimed by China, Taiwan, the Philippines, and Vietnam. Minister of Culture, Arts, and Tourism Sabaruddin Chik said the island was expected to draw tourists because of its beautiful coral (?reef) and a variety of birds.

The island, Pulau Terumbu Layang-Layang, also known as Swallow Reef, is 2 kilometers long and 1.5 kilometers wide. It is about 16 hours by boat from the East Malaysian state of Sabah and about half an hour by helicopter. The island is in the disputed Spratly group.

Singapore

Reportage on Visit of Japan's Kaifu Continues

Kaifu Urges Greater Soviet Role

BK0205142691 Hong Kong AFP in English 1413 GMT 2 May 91

[Text] Singapore, May 2 (AFP)—Japan favours bringing the Soviet Union into efforts to achieve greater regional cooperation in Asia, Prime Minister Toshiki Kaifu told his Singapore counterpart Goh Chok Tong Thursday.

Japanese Spokesman Sadaaki Numata quoted Mr. Kaifu as speaking during a two-hour meeting with Mr. Goh after arriving on the fourth leg of a tour of five of the members of the Association of Southeast Asian Nations (ASEAN).

Mr. Kaifu told his Singapore counterpart that Japan was not yet ready to support initiatives by Moscow for an Asia Pacific security forum, or an all-Asia foreign ministers meeting. But the spokesman added that Mr. Kaifu told Mr. Goh that "it was desirable to bring the Soviet Union into efforts to bring about greater economic interchanges in the area."

Mr. Kaifu briefed Mr. Goh that he told Soviet President Mikhail Gorbachev in Tokyo last month that Tokyo would support any efforts by Moscow to join the Pacific Economic Cooperation Council (PECC) - a nongovernmental organisation founded in 1980 to help promote economic cooperation in the Pacific basin.

PECC is scheduled to hold a meeting in Singapore later this month.

The spokesman said Mr. Kaifu reiterated Japan's intention to assume a greater role in world affairs commensurate with its economic clout but insisted that Tokyo's security alliance with the United States was "the axis" of its foreign policy.

"He also referred to Japan's wartime past by saying we [are] very deeply conscious of the fact that our actions in the past caused suffering to the people in Asia," according to Mr. Numata.

Mr. Numata said Mr. Goh cautioned his Japanese visitor against sending aid and investment to Vietnam before a settlement of the Cambodian problem.

"We should not send the wrong signals to Vietnam," the Singapore prime minister was reported to have told Mr. Kaifu.

Meanwhile at a separate briefing for journalists on the closed door meeting by a Singapore official, it was learnt that Mr. Kaifu told Mr. Goh that Japan would like to contribute to the continued stability of the Asia-Pacific region as it was an area that had achieved steady economic growth.

The Singapore official said Mr. Goh urged Japan to continue its role in boosting the region's economic growth by greater investments and Mr. Kaifu assured that it would continue.

Mr. Kaifu told Mr. Goh that Japan could also continue to contribute to economic growth in the region through transfer of technology and in opening up its markets to more imports.

Both prime ministers also agreed that the United States' presence in the Asia-Pacific region was indispensable to the region's security.

Mr. Goh explained Singapore's position on Malaysia's proposal for an East Asia Economic Grouping (EAEG), which both prime ministers agreed should not be a closed bloc and should not diminish the role of ASEAN, the official said.

They agreed that the EAEG should complement the Asia Pacific Economic Cooperation (APEC) which groups the six ASEAN members, South Korea, Japan, Australia, New Zealand, the United States, and Canada and should be consistent with the principles of the General Agreement on Tariffs and Trade (GATT).

The official said Mr. Kaifu did not give any indication on how Japan would react to the EAEG proposal but indicated that he would like to consult his cabinet colleagues on the matter. Japan would also take note of ASEAN's thinking on the EAEG.

Goh Chok on Growing Japanese Role

OW0205154591 Tokyo KYODO in English 1450 GMT 2 May 91

[Text] Singapore, May 2 KYODO—Singapore Prime Minister Goh Chok Tong on Thursday urged Japan to play a bigger political role in the world, but stressed that this should occur under the U.S. security umbrella and that Japan must first gain the confidence of its Asian neighbors through "frank and open dialogue."

Speaking at a state banquet for Japanese Prime Minister Toshiki Kaifu, Goh said Japan, together with other big

powers such as the United States, the Soviet Union, and Western European countries, will have to shoulder a major part of the responsibility of maintaining the world order through the United Nations.

"Japan is not and does not want to be a military power. But it is an economic power. It will have to contribute to building this better world," Goh told guests at the Istana, the Presidential Palace.

Goh, warning that dissolution of the Japan-U.S. security alliance would create "major uncertainties and instability," urged Japan to stick with the alliance.

"A Japan that remains firmly anchored to the U.S. alliance system and which is trusted by its neighbors will be a positive force, not just for the Asia-Pacific, but for the whole world."

He said Japan's international role will inevitably grow with time, and Japan will be expected to shoulder new international responsibilities.

But Goh, while refraining from any direct reference to Japan's military aggression in Asia before and during World War II, noted that some countries are apprehensive about how Japan will wield its growing political influence.

Because of their experience with Japanese aggression, countries in Southeast Asia are generally sensitive to any hint of a revival of Japanese militarism.

Japan should build trust with its neighbors and the ASEAN countries "to smooth its path to discharging its global responsibility as a major economic power," Goh said.

ASEAN, the Association of Southeast Asian nations, groups Brunei, Indonesia, Malaysia, the Philippines, Singapore, and Thailand.

Singapore is the fourth stop on Kaifu's Golden Week tour of Southeast Asia, which will take him to all the ASEAN countries except Indonesia, which he visited last year.

"Japan's actual actions ... should reassure its neighbors," Goh said, "that Japan's purpose is to further the stability and prosperity of all the countries in the region."

For his part, Kaifu pledged that Japan will not only make an economic contribution but also do more to maintain world peace and stability to completely fulfill its international responsibility.

Kaifu is expected to deliver a policy speech on Friday outlining Japan's new role in the region and expressing its contrition over its invasion and occupation of Southeast Asian countries during World War II.

He will leave Saturday for the Philippines, the last leg of his tour, before returning to Tokyo on Monday.

Trade, Security Policy Discussed

OW0205135291 Tokyo KYODO in English 1337 GMT 2 May 91

[Text] Singapore, May 2 KYODO—Singaporean Prime Minister Goh Chok Tong urged Japan on Thursday to act within the framework of its security alliance with the United States in pursuing a greater political role in world affairs.

Goh made the request at a two-hour meeting with Japanese Prime Minister Toshiki Kaifu, who arrived here earlier in the day on the fourth leg of a five-nation Southeast Asian tour.

Japanese officials quoted Goh as telling Kaifu that Singapore will support Japan's economic and political contributions to solving international issues, but not if they are made independently.

Goh also stressed the need to anchor the U.S. presence in Asia to ensure regional security, the officials said.

The statements followed Kaifu's explanation about Japan's new policy stance aimed at greater international contributions in terms of personnel as well as money.

Kaifu mentioned Japan's dispatch of minesweepers to the Persian Gulf in this context and expressed gratitude for Singapore's understanding of the Gulf mission, the officials said.

Goh called for a continued Japanese role in channeling investment led by the private sector to the region, which he said will strengthen the region's "resilience."

In this connection, he urged Japan to further open its market to maintain free trade.

The two leaders agreed on the need for an early conclusion to the stalled Uruguay Round of multilateral talks for freer world trade, they said.

Goh cautioned Japan not to resume official economic aid to Vietnam, referring to the capitalist world's freeze on such aid imposed after the invasion of Cambodia in late 1978, the officials said.

He said no such wrong signal should be given to Vietnam in order to solve the 12-year Cambodian civil war.

Kaifu made no direct reply, the officials said, indicating Japan's intention to continue the freeze on official assistance to Hanoi.

Goh told Kaifu that Singapore supports Malaysian Prime Minister Mahathir Mohamad's proposal to set up an East Asian economic grouping.

Small countries such as Singapore would be neglected if economic powers like the European Community (EC) and North America turned to closed trade blocs, Goh was quoted as saying.

Kaifu said he understands the basic concept of protecting free trade behind the proposal but added Japan would like to see other members of the Association of Southeast Asian Nations (ASEAN) establish a consensus on the plan.

The ASEAN countries are Indonesia, Malaysia, the Philippines, Singapore, Thailand, and Brunei.

Kaifu made similar comments when Mahathir briefed him on the idea at their meeting Saturday in Kuala Lumpur, the first stop of the 10- day ASEAN trip.

Kaifu invited Goh to visit Japan and he replied he hopes to do so next year.

Kaifu paid a courtesy call on President Wee Kim Wee before meeting Goh.

The Japanese leader has so far visited Brunei and Thailand in addition to Malaysia. He will return home Monday after visiting the Philippines.

Kaifu's Foreign Policy Speech

OW0305113791 Tokyo KYODO in English 1001 GMT 3 May 91

[Elipses as received]

[Text] Singapore, May 3 (KYODO)—The following are excerpts of a speech, "Seeking a Mature Partnership for the New Age," on Japan's foreign policy in Asia delivered by Prime Minister Toshiki Kaifu in Singapore on Friday:

(On Japan's Economic Role in Asia)

One of the main features characterizing the Asia-Pacific region is that many of the countries of the region are developing countries and that the primary interest of these countries is in economic development and social stability. As a consequence, it is most important for peace and stability that we work for economic development of the developing countries in the region and to dispel poverty and social unrest within their borders and that we strengthen our interdependence and enhance the region's resilience. I am fully aware of the need for Japan to play an even more active role in support of these efforts by the other countries of the region.

Japan will, for example, continue to seek to expand imports from the countries of the region and promote greater investment in, and technology transfer to, these countries, in line with the maturity of their trade structure and their stages of development and as the necessary complement to this efforts, I hope the host countries will make an even greater effort to create a climate receptive to Japanese investment and technology transfer.

I wish to state clearly that ASEAN and the rest of Asia will continue to be the priority focus for Japanese official development assistance (ODA). In implementing its ODA, Japan is trying to advance comprehensive economic cooperation responsive to the diverse development needs of the recipient countries, fully mindful of the role played by trade, investment, and technology transfer, and giving all due consideration to the different countries' responses to environmental issues...

Given that our reliance on free and open trading arrangements is one fount of this region's vitality, the prompt and successful conclusion of the GATT Uruguay Round is not only of vital significance in the economic sphere but should be one of the top priority issues for this region. It is, after all, this region that will feel the brunt of the Uruguay Round's collapse if it should happen, and Japan is determined to make every possible effort for the Uruguay Round's success. In addition, I am pleased to see that APEC [Asia-Pacific Economic Council], initiated in November 1989, is already drawing upon Asia-Pacific potential and becoming an engine of stability and prosperity. Japan intends to promote such cooperation actively.

More recently we have been witnessing movements in our region to step up regional cooperation on yet more building on the spectaclar economic advances achieved by East Asia. It was in this context that Prime Minister Mahathir of Malaysia explained to me the other day his initiative for an East Asian Economic Group (EAEG). It goes without saying that any regional economic cooperation in our region should, beyond anything, aim at forestalling any move toward trade protectionism and promoting cooperation open to the outside world...

International effort to deal with global environmental issues is becoming increasingly important. Japan, fully aware of its potential role in the creation of international frameworks and in support of the developing countries' own efforts, is determined to continue to contribute vigorously on both the financial and the technological sides. In this regard, sustainable development reconciling the dual objectives of the economy and the environment is of particular importance for Asia-Pacific development, and Japan is resolved to deal with the environmental issues in an effort to pursue these two objectives in parallel.

(On Japan's Political Role)

Amidst these changing times in the international order, I acutely feel that Japan is expected to make even greater contributions in the Asia-Pacific region not only in the economic sphere but in the political sphere as well. As Japan goes on to play a more active political role, we should remind ourselves of how we perceive our past history.

This year marks the 50th anniversary of the outbreak of the Pacific war. At this juncture, looking back upon the first half of this century, I express our sincere contrition at Japanese past actions which inflicted unbearable suffering and sorrow upon a great many people of the Asia-Pacific region. The Japanese people are firmly resolved never again to repeat those actions which had tragic consequences, and we have made strong efforts in the last 45 years to translate the philosophy and the resolve of living as a nation of peace into actual policies... A prerequisite for this is that all Japanese be deeply conscious of what Japan did in the past and have a full and accurate grasp of history. To that end I am determined to step up our effort to ensure that today's young people—tomorrow's leaders—gain a full and accurate understanding of modern and contemporary Japanese history through their education in schools and in society at large.

Building upon our determination not to let history repeat itself, Japan hopes to play an appropriate role in the political sphere as a nation of peace.

Another of the outstanding features that characterizes the political climate in the Asia-Pacific region in comparison with Europe is that there are still a number of unresolved conflicts, disputes and problems, including the issue of

Cambodia, the conflict on the Korean peninsula, and the Northern territories issue between Japan and the Soviet Union. True peace and stability cannot come to this region until these problems are resolved. Realizing this, Japan has made a positive effort to contribute to the resolution of regional conflicts and disputes, and I assure you we are determined to do even more in the future.

The Cambodian issue, which is the main outstanding issue in Indochina, has now entered the final stage of the peace process. Peace hinges upon whether or not all of the Cambodian parties will accept the comprehensive peace proposal now before them. Japan is concerned that the momentum for peace seems to have slowed this year...

Japan has taken a number of initiatives vis-a-vis the parties to the Cambodian conflict so as to further the peace process. We have, of late, taken every opportunity to further contacts with the various Cambodian parties. Just the day before yesterday, when the voluntary ceasefire came into effect, I personally met the leaders of the national government of Cambodia in Bangkok and urged them observe the ceasefire. It is vitally important, more than ever before, that the Cambodian principals themselves strike a genuine attitude of reconciliation. Japan will spare no effort to help foster a common outlook towards a political settlement between the warring parties.

Indochina has historically long been a stage for dynamic exchanges among the peoples of the region... Japan intends to cooperate in every way possible so that ASEAN and Indochina can some day develop together as good partners for each other. As a first step, I am pleased to report that Japan is prepared to host an international conference on Cambodian reconstruction at an appropriate time for the purpose of future reconstruction in Cambodia and all of Indochina.

The Japanese people are also fervent in their desire to see peaceful unification on the Korean peninsula. I positively appreciate the normalization of relations between the Republic of Korea and the Soviet Union and the continuing exchanges between North and South as contributing to peace and stability on the peninsula, and I hope that the suspended North-South dialogue will be resumed and will see substantive progress to consolidate this trend further. This January, Japan entered into negotiations to normalize relations with the Democratic People's Republic of Korea and I assure you that, acting on the premise of preserving and furthering our friendly relations with the Republic of Korea as a country sharing the fundamental values of freedom and democracy, we intend to advance these negotiations in such a way as contributes to peace and stability on the peninsula.

At the same time, we recognize that it is extremely important for regional stability and prosperity that China maintain its policy of reform and openness in all areas and develop in a stable climate. As such, Japan intends to cooperate as much as possible with China's efforts for modernization based upon the policy of reform and openness, and I myself hope to visit China as soon as possible this year.

Likewise, all of the countries of this region are very much interested in Soviet policy toward the region. Japan, as you know, still has the dispute on the four Northern islands with the Soviet Union that prevents us from concluding the peace treaty... A fundamental improvement of Japanese-Soviet relations is not only important to our two countries; it is also significant in the broader and long-term context of peace and stability in the Asia-Pacific region. Japan intends to continue working to achieve true normalization and dramatic progress in Japanese-Soviet relations at the earliest date...

The recent Gulf crisis was a time of reflection and a time for all Japanese to consider seriously through what specific means Japan, as a nation of peace, can and should take part in the efforts to maintain world peace. Televised into our living rooms, the scenes of fighting in the Gulf were a vivid demonstration of what can happen when a country imports far more arms than it legitimately needs to defend itself and when there is an excessive arms export race.

As a nation of peace, Japan has consistently adhered to the three non-nuclear principles since the end of World War II and to a rigorous stance of refraining from arms exports for more than two decades in accordance with the three principles on the non-export of arms. Japan thus intends to make its own contributions to helping the world learn from the lessons of the Gulf crisis and to make whatever progress is possible toward disarmament and arms control.

Accordingly, Japan has recently called upon the international community to coordinate and strengthen the international framework for non-proliferation of weapons of mass destruction and missiles, to enhance transparency and openness through, for example, establishing a system of reporting arms transfers to the United Nations, and to consider coordinating and strengthening the arrangements regarding voluntary export restraints by the arms-exporting countries. This May, a United Nations conference on disarmament issues will be convened in Kyoto at Japanese initiative, and I believe it is of no small significance that Japan—an economic and technological power—should continue to make such efforts as a nation of peace. In a similar vein, I also recently announced in the Diet that military expenditures, weapons exports and imports, and other factors would be adequately taken into consideration in our ODA to the developing countries.

While the Japanese contribution in the wake of the Gulf crisis has mainly in financial terms, the question posed to us is whether or not we can truly fulfill our responsibilities with financial cooperation alone to ensure the maintenance of peace and stability in the international community as a whole. Japan thus is determined to make personnel contributions an important part of our cooperation for peace. With emphasis on personnel cooperation in our contribution to the post Gulf war situation, we have dispatched experts to help with restoring the environment damaged by the war in the region. We are also actively proceeding with the preparation to provide a political officer to the United Nations Iraq-Kuwait observation mission and to provide expert participation in the work of the United Nations special commission on the destruction

of Iraqi weapons of mass destruction and missiles. A large number of mines that remain in the northern Persian Gulf are another issue, and we recognize the urgency of ensuring safe navigation in these waters. Under these circumstances, Japan has very recently decided to send minesweepers to the region. This action does not mean that Japan is assuming a military role in the international community and does not represent any change in Japan's basic defense policy. Rather, this decision was made after the most serious study of what Japan could do within the context of concerted international efforts for peace, and we very much intend to continue to fulfill actively our responsibilities to the international community through such cooperation for peace.

I am well aware that the course which Japanese policy might take could well spark concern among some of our Asian neighbors that Japan might once more be embarking on a path to a military power. Yet, I would remind you that the vast majority of Japanese are peace-loving people who detest the thought of it. I note further that civilian control is firmly established within the Japanese system.

Since the war, Japan has dedicated itself to a purely defensive posture under our peace constitution and vowed never again to become a military power such as might pose a threat to other countries. We have been striving to ensure our own security through firmly maintaining the security arrangements with the United States, and through acquiring a moderate self-defense capability. Building on the lessons of history Japan will adhere firmly to the philosophy befitting a nation of peace.

I would like to emphasize here that the issues of peace and prosperity in the Asia-Pacific region cannot be realistically discussed without a U.S. role. The recent Gulf crisis has shown how important it is that the United States continue to have the capability and the will to maintain peace and order globally. We recognize that the U.S. presence is also crucial in the Asia-Pacific region; it is an important stabilizing factor not only in the military sense but in the political sense as well. Realizing this, I strongly hope that the United States will continue to play a positive role as an active pacific power for peace and prosperity in the Asia-Pacific region. The security arrangements which we maintain with the United States provide an important framework for peace and stability in the Asia-Pacific region. I am convinced that the maintenance and development of the solid Japan-U.S. cooperation based on this vital security relationship will be of even greater importance than today to the Asia-Pacific community as it continues its dynamic development.

Noting that the Asia-Pacific region is characterized first by many of the countries of the region having a strong interest in economic development and social stability, and second, unlike Europe, by the existence of such yet-unresolved conflicts and disputes as the North-South conflict on the Korean peninsula, the problem of Cambodia, and the territorial issue between Japan and the Soviet Union, I have tried thus far to outline the positive contribution that Japan intends to make both politically and economically for long-term stability in the region.

Yet, there is one more feature that characterizes the Asia-Pacific region—that of diversity. Whereas there is major momentum toward political and economic integration in Europe as epitomized by the European Community, the Asia-Pacific region is moving in pursuit of economic interdependence based upon recognition of the political, social, cultural, and economic differences among the countries of the region...

Japan has long made ASEAN a central focus of its foreign policy and worked for closer cooperative relations with your countries in all fields. Thus, we share in your pride at ASEAN's development.

And with the changes in the international situation, I believe that ASEAN, having grown far stronger than ever before, is ready to set new and loftier goals for itself and to move for still closer and more diversified cooperation. I believe that Japan and ASEAN are becoming mature partners able to look seriously at what we can do for Asia-Pacific peace and prosperity and to think and act together for our shared goals.

Building upon the long years of dialogue between Japan and ASEAN, we are now able to speak frankly to each other in both the economic and political spheres. Along with continuing to work to create a climate conducive to candid dialogue in all areas, I intend to make a concerted effort for greater cooperation in all fields.

It is the firm mutual trust between Japan and the ASEAN countries at all levels that underlies and supports this mature partnership between Japan and ASEAN. It is now more than 10 years since the importance of heart-to-heart contacts was noted, and there have been many exchange programs between us achieving considerable success in promoting mutual understanding and mutual trust between the Japanese and ASEAN peoples. Yet I know that it is impossible to eliminate the residual misunderstanding and prejudice on both sides all at once, and that is why I believe it is so important that each and every person involved in the greatly expanded opportunities for interaction between our peoples make every effort to create relations of personal contacts among individuals and relations based upon good-faith efforts by all of us as human beings. Never before has it been so important that we do everything we can to ensure that the trust between Japan and the ASEAN countries is truly unshakable.

The tide of international affairs toward cooperation and concert is gaining new strength throughout the Asia-Pacific region. And it is essential that we continue to work to ensure that this tide is irreversible. We are working for an Asia-Pacific world of creativity with each learning from the others' political, economic, cultural, and other diversity. We are seeking to be open to the rest of the international community and to have our own dynamism impart new vitality to the rest of the world. Let us go forth; let those vows of Japan-ASEAN cooperation made over the past two decades come into their own; and let us work together to create such a regional community. In short, let us dedicate ourselves anew to the goal of creating better and deserving lives for all of our people in an Asia-Pacific

region rich in peace and prosperity. It is, I believe, through such cooperation that we will delineate one path to the new world order that we and all the international community so earnestly desire.

Lee Kuan Yew Praises 'Contrition'

OW0305114691 Tokyo KYODO in English 1018 GMT 3 May 91

[Text] Singapore, May 3 (KYODO)—Former Singapore Prime Minister Lee Kuan Yew gave high marks Friday to the expression of contrition for Japan's military past in a speech delivered by visiting Prime Minister Toshiki Kaifu earlier in the day.

Lee told Kaifu during a courtesy call on the Japanese premier that he was impressed by such an open and frank attitude on the part of a Japanese prime minister, calling it a necessary and useful step when Japan intends to play a greater political role in world affairs, a Japanese official said.

Kaifu is in Singapore on the fourth leg of a five-nation Southeast Asian trip.

Lee said he agreed with Kaifu on the importance of an accurate historical perception among young people through school education, as mentioned in Kaifu's speech.

It is necessary for Japan to admit and expose its past actions without flinching, though this may be painful, he was quoted as saying.

Lee, who was prime minister of this tiny island nation for more than 30 years, advised Japan to be more open toward Southeast Asian nations which are seeking to learn from Japan as a model of economic prosperity.

Lee passed the premiership over to Goh Chok Tong in November and now serves as senior minister in the cabinet.

Japan overly emphasizes its peculiarities, such as insularity, thereby drawing a curtain between itself and Asian neighbors, Lee said.

He urged Japan to follow the example of France and other countries which are actively introducing their own culture and languages to Asia.

Lee recalled the overwhelming role the United States played in world reconstruction after World War II.

He stressed the need for Asian nations to jointly help the U.S. regain confidence and permit it to continue playing a leadership role, the Japanese official said.

Cambodia

Hor Namhong Remarks on Cease-Fire in Paris

BK0305015991 Hong Kong AFP in English 0120 GMT 3 May 91

[Text] Paris, May 3 (AFP)—The Phnom Penh Government wants a cease-fire that came into effect Wednesday in Cambodia to be extended "until a peace accord is signed" and not just until a meeting of the Cambodian factions scheduled for early June in Jakarta, Foreign Minister Hor Namhong said here Thursday.

The minister, who is on a private visit to France, told AGENCE FRANCE-PRESSE that his government was prepared to take part in the Jakarta meeting of the Supreme National Council (SNC), made up of Cambodia's four rival factions.

The meeting, to be held under the auspices of the Paris International Conference on Cambodia, was reportedly proposed by France for June 2.

Mr. Hor Namhong, who met a French Foreign Ministry official here, said that Phnom Penh would submit to the SNC changes it had made recently among its six representatives.

He was skeptical about charges by Prince Norodom Sihanouk's non- communist resistance faction that Phnom Penh forces had violated the cease-fire in Siem Reap, northern Cambodia, saying: "We have been proposing the cease-fire for a long time, and it is not in our interests to break it."

The foreign minister of the Phnom Penh Government, which is not recognised by the United Nations, expressed the hope that acceptance of the cease-fire by the communist Khmer Rouge "is sincere" and that the truce "will not be used to reorganize their forces."

Mr. Hor Namhong said a return to power through a peaceful settlement by the Khmer Rouge, blamed for the deaths of hundreds of thousands of Cambodians during a reign of terror in the late 1970s, "is a current, very concrete threat."

The minister supported a halt to all supplies of arms to the various factions, asserting that Phnom Penh had not received any arms or munitions from the Soviet Union, its main ally after Vietnam, since the end of last year.

However, he added, Phnom Penh had been "helped a lot by arms seizures" from the guerrillas. In February and March, around 1,000 tonnes of arms had been seized, he said.

Mr. Hor Namhong said elections envisaged for next year by the Phnom Penh Government were not a "manoeuvre" designed to replace elections to be held under the framework of the United Nations.

"The mandate of our members of Parliament has run out," he explained. "But if there's a political settlement, there must be new elections."

Turning to his government's backers in Hanoi, the minister said "the problem of Cambodia should not always be linked with that of Vietnam. Despite the friendship of the two countries, the Cambodia question is a specific problem."

Remarks on USSR Aid

BK0305021391 Hong Kong AFP in English 1938 GMT 2 May 91

[Text] Paris, May 2 (AFP)—The Soviet Union is to make available a credit of 21 million dollars to the Government

in Phnom Penh on preferential terms to assist economic development, Cambodian Foreign Minister Hor Namhong said here on Thursday after a visit to the Soviet Union and Poland.

He also said that the total and shell oil companies had formally requested permission to resume a search for hydrocarbons off the coast of Cambodia. They suspended drilling when war broke out in Cambodia after a coup against Prince Norodom Sihanouk in 1970.

The Soviet Union and other countries in Eastern Europe had stopped providing aid to countries in Indochina in favour of reciprocal cooperation based on dollar settlements.

The minister said that Soviet oil supplied to Cambodia, and Cambodian rubber sold to the Soviet Union, would be billed in dollars.

The minister said that trade with Poland would be carried out on the basis of private business, but that the Polish Government had said that it wanted to maintain relations with Cambodia.

Cambodia was experiencing economic "difficulties" mainly because of the cessation of aid from Eastern Europe, a poor rice harvest, the cost of the 12-year-old civil war in the country, and support for about 200,000 displaced people, the minister said.

But there was potential for development and 30 foreign companies had been authorised to invest.

SPK Reports More Cease-Fire Violations

BK0305061291 Phnom Penh SPK in English 0427 GMT 3 May 91

[Text] Phnom Penh SPK May 3—The Khmer opposition factions have again violated the ceasefire which they undertook to observe by conducting more attacks on government positions in Battambang, Siem Reap, Banteay Meanchey, and Pursat Provinces.

On May 1 two groups of the opposition forces comprising some 120 men launched fierce attacks on Kravel and Totoeng Thngai Villages in Russei Lork Commune, Chikreng District, Siem Reap-Oddar Meanchey Province. Another group intruded into Kouk Thlork Commune, the same district, firing dozens of artillery shells on the locality.

On the same day, 30 men of the tripartite forces also launched an attack against the government forces in Talor Commune, Bakan District, Pursat Province, 150 km northwest of Phnom Penh. Fighting back the raiders, the government forces killed one man and wounded another.

At 3 P.M. on that day, the Khmer opposition forces mounted an attack against a government position, 4 km east of Tonle Sar, Siem Reap-Oddar Meanchey, firing 10 shells of 75-mm recoiless gun. At 8 P.M. they also fired 11 shells of 122-mm caliber on a government position 3 km east of Samraong District, Siem Reap-Oddar Meanchey Province, and slammed hundreds of artillery shells into Kna Village, 12 km northwest of Samraong District; Phnum Krasang, 10 km northwest of the district; and on an area 21 km north of the same district.

Also on the same day, a group of Sonsannians and Sihanoukists intruded into Kreak Thmei Village, 5 km north of Preah Nett Preah District, Banteay Meanchey Province, looting the people's property and burning a dwelling house.

In Battambang Province, men of the enemy division 938 launched on May 1 a large-scale attack on government forces in an area 30 km east of the provincial town.

The ceasefire, which was proposed by the co-chairmen of the Paris International Conference on Cambodia and the secretary general of the United Nations, was accepted by all Cambodian warring factions and put into effect on Wednesday.

Thai Officers Report 'Scattered' Violations

BK0305081791 Hong Kong AFP in English 0606 GMT 3 Apr 91

[Excerpts] Bangkok, May 3 (AFP)—The Khmer Rouge accused Cambodian Government forces Friday of violating the country's first ceasefire in 12 years of war, but Thai military officers monitoring the border areas reported most guns were silent. [passage omitted]

But Bangkok-based diplomats monitoring the truce and Thai officers at the Thai-Cambodian border said they had only received reports of scattered incidents in northern and northwestern Cambodia.

There had been no fighting along the border early Friday, the Thai officers added. [passage omitted]

Commentary Demands Strict Observance of Truce

BK0305105391 Phnom Penh Domestic Service in Cambodian 1300 GMT 2 May 91

[Station commentary: "The Other Cambodian Side Must Strictly Abide by the Cease-Fire Rules"]

[Text] The appeal made by the Paris International Conference on Cambodia [PICC] cochairmen and the UN secretary general calling for a temporary end to the hostilities among the warring Cambodian factions which was to go into effect on 1 May was welcomed and supported by the Cambodian factions on the two sides.

The State of Cambodia side has expressed optimism over the end to hostilities which have dragged on for over 12 years now. The neighboring countries, including Vietnam and Thailand, and the United States have expressed their delight over the fact that the warring Cambodian factions accepted this appeal.

But it is very regrettable that the Cambodian factions on the other side have hampered the process of the temporary end to the hostilities. That is, less than a day after this appeal came into effect, the genocidal coalition factions launched an offensive against many positions of the State of Cambodia faction, such as at Chamka Stoeng, Kon Damrei Hill, and Pang Roloem in Battambang Province; Sala Krau in Banteay Meanchey Province; Tonle Sar in

Siem Reap-Oddar Meanchey Province; and Ta Kong Krau and Hob Russei on the border of Battambang and Banteay Meanchey Provinces.

The most serious cases were at 0200 on 1 May when the genocidal coalition factions, supported by tanks and artillery pieces, attacked Ta Dong and Ta Pho communes and Prey village in the Kouk Khpuos region, Phkoam and Don Noy, and some other regions 15 to 17 km east of Svay Chek.

All these activities clearly reflect that the Cambodian opposition side has no intention of ending the hostilities. At the same time, these activities clearly prove the correctness of the State of Cambodia side's doubts on the points that the armed forces of the Cambodian opposition factions are still scattered in the jungle and that the cease-fire has not yet been placed under any control.

Worse still, while they were violating the cease-fire accord, the Cambodian opposition factions claimed that the State of Cambodia (?armed forces) attacked their forces in the central and western regions. This is the trick of a thief crying: Stop thief. Everyone knows that the State of Cambodia's armed forces are orderly, organized units which have specific positions. They have been ordered to be ready to faithfully observe the cease-fire.

Moreover, it is still remembered well that since the first talks held between Comrade Hun Sen and Samdech Sihanouk in Paris at the end of 1987, the State of Cambodia side had proposed to the other side to end the hostilities between each other and even called for cessation of foreign military aid. In particular, in the current 1990-91 dry season, the State of Cambodia has unilaterally announced that it will not launch an offensive against the Cambodian factions on the other side if they do likewise.

For this reason, no one doubts that the State of Cambodia, which has accepted the appeal of the PICC cochairmen and the UN secretary general, has any intention of violating the cease-fire accord. But the activities of the Cambodian factions on the other side clearly show the national and international public that now as in the past, the opposition factions accepted the appeal only verbally. In fact, they have made use of this temporary cease-fire to launch a large-scale offensive against the State of Cambodia's positions, particularly the people's villages, with an aim of realizing their strategic goal of creating two zones and two state powers in Cambodia and using this as a springboard to move toward toppling our new regime.

Their insane activities constitute a severe contempt on the appeal of the PICC cochairmen and UN secretary general for which they have voiced their support and [words indistinct]. Moreover, the violation of the cease-fire accord at such an early time is their [words indistinct] scheme to hinder and foil the coming meeting of the Supreme National Council in Jakarta, thus enabling them to continue receiving foreign military aid and carry on the civil war in Cambodia.

Therefore, the Cambodian people wish to warn the Cambodian factions on the other side to immediately end such an abject act. If the violations by the other side continue, the Cambodian people reserve their right to self-defense by retaliating against the source which causes destruction to the people.

The Cambodian people would like also to appeal to the PICC cochairmen and the UN secretary general to please use their influence to make the other Cambodian side strictly observe the spirit of the appeal dated 22 April 1991.

AFP: Diplomat Says 2-4 Jun Jakarta Meet Planned

BK0305054291 Phnom Penh SPK in English 0419 GMT 3 May 91

[Text] Phnom Penh SPK May 3—France has proposed to Indonesia that Cambodia's warring factions, grouped in the Supreme National Council (SNC), hold talks June 2-4 in Jakarta, AFP quotes diplomatic sources as saying in Hanoi Thursday.

"Jakarta accepted the proposal which has been submitted to the Cambodian factions," a diplomat said.

France and Indonesia co-chair the Paris International Conference on Cambodia, which first met in August 1989 in a bid to settle the 12-year Cambodian conflict.

The SNC comprises six representatives of the Phnom Penh government and two from each of the three opposition factions. Formed last year, the SNC remains bogged [down] by differences that are blocking implementation of a peace plan proposed by the five permanent members of the United Nations Security Council.

France, Indonesia and UN Secretary General Javier Perez de Cuellar last week appealed to the factions to observe a voluntary ceasefire at least until the SNC could meet.

The four groups all agreed to abide by the unsupervised truce, which was to have started Wednesday.

"We hope that this voluntary cease-fire can translate into a definitive halt to the hostilities," said a Western diplomat, who nonetheless warned against being too optimistic.

"It will depend largely on the Cambodian players during the SNC meeting and the attitude of the armed forces on ground."

Officials Greet SRV Counterparts on Anniversary

BK0305103791 Phnom Penh SPK in English 0425 GMT 3 May 91

[Text] Phnom Penh SPK May 3—Cambodian Defence Minister Tie Banh has sent a meesage of greetings to his Vietnamese counterpart, Le Duc Anh, on the 16th anniversary of the Vietnamese people's victory over U.S. aggression (April 30).

After recalling the heroic and patriotic struggle of the Vietnamese people against the U.S. imperialists for national reunification, Tie Banh said: "We highly appreciate the substantial achievements recorded by the Vietnamese people and Army in defending their country and building it along the socialist line.

"We are convinced that the friendship, solidarity and cooperation between our two peoples and Armies will constantly consolidate and develop".

Defence Minister Tie Banh also wished his Vietnamese counterpart the best of health and the Army and people of Vietnam new greater successes in carrying out the tasks set by the Vietnamese party and state.

Bou Thang, head of the General Political Department of the Cambodian armed forces; and Pol Saroeun, chief of the general-staff of the Cambodian people's armed forces, have also sent their warm greetings to their Vietnamese counterparts, Nguyen Quyet and Doan Khue, on the same occasion.

Tie Banh Condoles Soviet Defense Minister

BK0205080091 Phnom Penh Domestic Service in Cambodian 0430 GMT 2 May 91

[Text] Comrade General Tie Banh, State of Cambodia's defense minister, recently sent a condolence message to Comrade Marshal Yazov, USSR defense minister. The message says in essence:

Leading cadres of the State of Cambodia's Defense Ministry and myself were deeply grieved upon receiving the news that Comrade General (Varychenko), chief of the Soviet Military Advisory Group in charge of Indochina, passed away on 8 April 1991.

Comrade General (Varychenko) was outstanding in defending, consolidating, and expanding the relations of friendship and solidarity and cooperation between the two people and Armies, Cambodian and Soviet, particularly between the two states' Defense Ministries. We would like to share with sorrow and saddest sentiments the grief of the Soviet Defense Ministry and the armed forces of the USSR and the deceased's family.

Statement Issued on 'Urgent' Meeting of Factions

BK0305012691 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 2 May 91

["Statement by the Spokesman of the Cambodian National Government's Foreign Ministry Denouncing the Hanoi Vietnamese Aggressors and their Puppets and Lackeys in Phnom Penh for Violating the Cease-Fire and Accusing the Cambodian Resistance Forces"; dated 3 May—read by announcer]

[Text] The Hanoi Vietnamese aggressors and their puppets and lackeys in Phnom Penh have violated the cease-fire. On 2 May 1991 the puppets in Phnom Penh, Vietnam's lackeys, at the order of their masters, the Hanoi Vietnamese aggressors, accused the Cambodian national resistance forces of violating the cease-fire. The Hanoi Vietnamese aggressors did this in accordance with the plan they have worked out.

We would like to recall the following evidence confirming the plan of the Hanoi Vietnamese aggressors and their puppets and lackeys to violate the cease-fire and accuse the Cambodian national resistance forces.

1. People still remember that on 18 and 19 April 1991 leaders of the Hanoi Vietnamese aggressors and puppet leaders in Phnom Penh knew in advance of the appeal by the cochairmen of the Paris conference and the United Nations to all Cambodian parties to accept a temporary cease-fire. They thus met to work out a plan according to which activities on all battlefields should be continued, particularly in the 5th Military Region in Battambang and the 4th Military Region in Siem Reap, according to which these two military regions should rally forces to implement the plan to launch offensives against Pailin, Thmar Puok, Samlot, and Banteay Ampil. The Political Department and the General Staff of Vietnam's puppets in Phnom Penh even set up joint delegations, which included the Hanoi Vietnamese and puppet Phnom Penh leaders, to disseminate these decisions in all the military regions, particularly in the 5th Military Region in Battambang.

2. At his 30 April news conference puppet Hun Sen pretended to express concern over violations by the national resistance forces by pointing out that guerrilla troops are scattered everywhere. This statement by puppet Hun Sen further clearly shows the Hanoi Vietnamese aggressors' plan to continue attacking the national resistance forces and accuse the latter of violating the cease-fire.

3. According to a statement by puppets in Phnom Penh on 2 May 1991, the Phnom Penh puppets accused the Cambodian national resistance forces of having no goodwill to solve the Cambodian problem politically and of destroying the planned meeting in Jakarta.

This accusation further confirms the dirty plan of the Hanoi Vietnamese and their puppets in Phnom Penh, who continue to attack the Cambodian national resistance forces militarily and also carry out maneuvers to launch diplomatic offensives against the Cambodian national resistance forces in accordance with the decision of the Hanoi Vietnamese aggressors and puppet leaders taken at the meeting on 18 and 19 April 1991.

However, the Hanoi Vietnamese aggressors and their puppets in Phnom Penh cannot deceive anyone with whatever trick they come up with. These tricks only show the world even more clearly the bad nature of those performing them. The world clearly realizes that the Vietnamese aggressors and their puppets and lackeys in Phnom Penh are the ones opposing the framework document of the five permanent members of the UN Security Council [UNSC] and the draft agreement for a comprehensive solution.

Thus, the Hanoi Vietnamese aggressors and their puppets and lackeys in Phnom Penh are the ones violating the cease-fire in order to create a pretext to destroy the five permanent members' framework document and the 26 November 1990 draft agreement for a comprehensive solution to the Cambodian problem.

As for the Cambodian national resistance forces, they have no reason whatsoever to violate this cease-fire because they need to solve and end Vietnam's war of aggression in Cambodia politically and comprehensively in accordance

with the framework document of the UNSC five permanent members and the 26 November 1990 draft agreement for a comprehensive solution. The world clearly knows that the Hanoi Vietnamese and their puppets and lackeys in Phnom Penh are the ones opposing the meeting between the four Cambodian parties and the cochairmen of the Paris conference in Jakarta.

Thus, the Hanoi Vietnamese aggressors and their puppets and lackeys in Phnom Penh are the ones creating problems to prevent this meeting from taking place. The Phnom Penh puppets, Vietnam's lackeys, have acted at the order of their Hanoi Vietnamese masters; and they are dragging their feet about going to the Jakarta meeting in May 1991 and postponing this meeting to this day. The Hanoi Vietnamese aggressors and their puppets and lackeys are thus the ones who have violated the cease-fire and have instead turned to accusing the Cambodian national resistance forces so they will have an excuse for not going to the Jakarta meeting and attending the meeting of the Coordinating Committee of the Paris conference, thereby destroying the UNSC five permanent members' document.

As for the Cambodian national resistance forces, they need the meeting in Jakarta in order to move quickly toward the meeting of the Paris conference's Coordinating Committee to quickly achieve the peace plan in Cambodia. The world has no doubt or illusion whatsoever about this issue. Therefore, the Cambodian national resistance forces have no reason to violate the cease-fire.

The above evidence and reasons are enough for the world to clearly judge who is violating the cease-fire and who is destroying the Jakarta meeting and the UNSC permanent members' document. On this occasion, the Cambodian national resistance forces and the Cambodian National Government would like to again appeal for an urgent meeting between the four Cambodian parties and the cochairmen of the Paris conference in accordance with the 23 December 1990 Paris joint statement.

[Dated] 3 May 1991

Column Reports Interview With Hun Sen

BK0305012391 Bangkok BANGKOK POST in English 3 May 91 p 4

["Cambodia Diary" Column by Jacques Bekaert]

[Text] Phnom Penh—The State of Cambodia will not sign the Perm Five proposal unless it contains strong measures to prevent a return to power of the Khmer Rouge, Prime Minister Hun Sen said during an interview here on April 18.

"We have been looking for a political solution to the Cambodian conflict long before anyone else. We even invited Prince Sihanouk to return as head of state," Hun Sen said. "But the Perm Five proposal does not even dare to use the word 'genocide.' We could never sign it as it is. We are responsible in front of history; if we sign it as it is today, there will be more problems."

Mr Hun Sen, who is also a member of the Politburo of the ruling People's Revolutionary Party of Kampuchea (PRPK), complained that none of the 117 paragraphs of the proposals made by the five permanent members of the Security Council of the United Nations makes any mention of concrete measures to prevent a return of what is called in Phnom Penh the "genocidal regime" of Pol Pot which ruled Cambodia—under the name Democratic Kampuchea—from 1975 till the end of 1978.

Mr Hun Sen suggested a list of measures he said would help prevent the Khmer Rouge from taking over the country. "We must keep our armed forces intact as they are. To prevent a recurrence of the Khmer Rouge practices, it is crucial for Phnom Penh to maintain its own forces," he said.

"It is easy to locate our army, but we don't know where the Khmer Rouge troops are."

Furthermore, "we have received confidential information that the enemy is planning to hide at least 30 percent of its forces" so that they would not be disarmed.

"We must destroy the foundation, the political and military organisations that would make any return of the Khmer Rouge possible," he said.

Khmer Rouge leaders responsible for the genocide must be brought to trial, Mr Hun Sen insisted. "Although we do not want to eliminate all Khmer Rouge, we cannot accept them if they refuse to denounce previous policies."

Mr Hun Sen also said that all assistance to the Khmer Rouge must be cut and that they cannot be allowed any sanctuaries "where they use refugees for political and military purposes."

The most important condition, insisted Prime Minister Hun Sen, is that all political parties which want to participate in the general elections "must clearly declare, in writing, their opposition to genocide."

For the moment, Hun Sen said, "Pol Pot depends on Sihanouk and Son Sann to return to power through the elections."

"The Khmer Rouge are infiltrating other parties that will take part in the elections," he said.

The new constitution, Mr Hun Sen said, "must include provisions against a return of the genocidal regime." The prime minister added that all countries part of the Paris International Conference on Cambodia (PICC) must guarantee that they will provide assistance if there is any recurrence of the genocidal practices.

Mr Hun Sen b lieves that the Perm Five proposal lacks concrete measures against a return of the Khmer Rouge because China is one of the countries involved. "The four others (on the UN Security Council) are trying to accomodate China," he complained. "It would create a very bad precedent if we forget to mention genocide."

Mr Hun Sen expressed his support for recent Japanese proposals, including the suggestion to send a fact-finding mission "to investigate past and present crimes of the

genocidal regime," as Mr Hun Sen put it. "Let's investigate their crimes and see if the Khmer Rouge deserve to play the same role as the other factions," he said.

"We also insist on a fact-finding mission to the refugee camps controlled by the other side," he said. In February the foreign minister of the State of Cambodia sent a letter to the secretary- general of the United Nations requesting such a fact-finding mission.

"So far we have received no answer," Mr Hun Sen complained. "We are very disappointed. There have been many UN missions in Phnom Penh, none to the other side. We have less and less confidence in the objectivity of the UN."

Prime Minister Hun Sen denied that earlier this year the Phnom Penh Army had gone on the offensive against the resistance. But he added that recent military actions demonstrated to Phnom Penh that "the enemy lacks the ability to launch a general offensive in Cambodia."

As for the Khmer Rouge, "they have a lot of weapons, but they lack infantry, which is the most important, the decisive factor in any battle," Mr Hun Sen said. He claimed that so far this year, the Cambodian People's Armed Forces (CPAF) had captured more than 1,500 tons of arms from the resistance, mostly from the Khmer Rouge.

"I wish I could show you the picture of the Chinese-made tanks we took recently from the Khmer Rouge near Pailin," he said.

Mr Hun Sen admitted there were still may difficulties in Cambodia, and that the situation was "not normal yet."

"After the withdrawal of the Vietnamese troops in 1989 our stability was not the same as before, we felt the effect of war." Many people, he said, have chosen to come to territories under government control. "It does create a burden for us, as we must provide them with food to prevent starvation," he said.

The prime minister also admitted that because of the war, the government has lost some productive areas in the countryside and that his government is not yet able "to meet the needs of the population." It is necessary for the authorities "to secure productive zones under military protection," he said, "because the production of food is the most important issue for us."

Commentary on SRV Arms Supply Proposal

BK0305094191 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 2 May 91

[Station commentary: "The Maneuver of Preventing the Flow of Military Aid to Cambodia Proposed by the Hanoi Vietnamese Is Clearly Exposed and Cannot Dupe Anyone"]

[Text] The Hanoi Vietnamese enemy aggressors recently proposed again their outdated maneuver on ending the supply of weapons and ammunition to warring parties in Cambodia. They said Vietnam is ready to cooperate with Thailand and Laos to accept UN supervision to prevent outside weapons and ammunition from flowing into Cambodia through the three countries.

People can clearly see, however, through the maneuver of the Hanoi Vietnamese that this is designed to:

1. Divert a solution to the Cambodian problem from the 28 August 1990 framework document of the five permanent members of the UN Security Council [UNSC] and the 26 November 1990 draft agreement and turn to a solution to the Cambodian problem in favor of Vietnam allowing the latter to continue its aggression and occupation in Cambodia forever.

2. Try to cut off aid to and destroy the Cambodian national resistance forces so that Vietnam can achieve its act of aggression in Cambodia, which it has failed to do through military means over more than 12 years.

The international community certainly cannot accept this maneuver, however, of the Hanoi Vietnamese enemy aggressors. People clearly determine that the cease-fire and the end of the supply of weapons are part of a political and comprehensive solution to the Cambodian problem, which is clearly and amply set out in the 28 August 1990 framework document and the 26 November 1990 draft agreement. If the Hanoi Vietnamese really want to solve the Cambodian problem politically, Vietnam should accept the above documents and implement all clauses of the documents, including:

1. The genuine withdrawal of all Vietnamese aggressor troops and forces from Cambodia under genuine UN control;

2. The establishment of the Cambodian Supreme National Council with Samdech Norodom Sihanouk as chairman to represent Cambodia's sovereignty and independence in order to cooperate with the UN interim administration in organizing elections in Cambodia;

3. The dispatch of personnel of the UN interim administration and UN peacekeeping force to Cambodia to implement the agreement on a comprehensive solution, including the withdrawal of all Vietnamese aggressor troops and forces from Cambodia and the supervision of free and just elections in Cambodia, and so on.

All these are key points for solving and ending over 12 years of Vietnam's war of aggression in Cambodia politically and comprehensively. Vietnam should genuinely and fully implement all these; none of these clauses can be left out.

Indonesia

Alatas Agrees To Host Cambodian SNC Meeting

BK0305113591 Jakarta ANTARA in English 1046 GMT 3 May 91

[Text] Jakarta, May 3 (ANTARA)—Foreign Minister Ali Alatas stated here Friday that Indonesia agreed to host a meeting of the Cambodian Supreme National Council (SNC) scheduled for 2-4 June here, if there was an official notice from France. He said that Indonesia is still awaiting

France's confirmation on the proposed date for the SNC meeting. Earlier reports from Hanoi said that France has proposed to Indonesia that Cambodian [words indistinct], grouped in the Supreme National Council (SNC) to hold talks June 2-4 in Jakarta. France and Indonesia cochair the Paris International Conference on Cambodia (PICC), which first met in August [word indistinct] in a bid to settle the 12-year Cambodian conflict. The SNC comprises six representatives of the Phnom Penh government, which is backed by Vietnem, and two from each of the three resistance factions. Formed last year, the SNC remains dogged by differences that are blocking implementation of a peace plan proposed by the five permanent members of the United Nations Security Council. Phnom Penh has rejected aspects of the plan, notably the demobilization of its Armed Forces during a transition period that would culminate in UN-supervised elections. Phnom Penh argues that the demobilization would pave the way for a return to power of the Khmer Rouge, since the disarming of the guerrilla faction would be more difficult to verify. The plan calls for the United Nations to play a major role during the transition period in administering Cambodia, supervising the demilitarization of the factions and overseeing a cease-fire. France, Indonesia, and U.N. Secretary General Javier Perez de Cuellar last week appealed for the factions to observe a voluntary cease-fire at least until the SNC could meet.

Laos

Further on Visit by Cambodia's Chea Sim

Received by Vongvichit

BK0105041891 Vientiane Domestic Service in Lao 1200 GMT 30 Apr 91

[Text] Phoumi Vongvichit, adviser to the Party Central Committee and the government, acting president of the Lao People's Democratic Republic [LPDR], and chairman of the Lao Front for National Construction [LFNC] Central Committee, received, in Vientiane on the morning of 30 April, a courtesy call from the Cambodian National Assembly delegation led by Chea Sim, chairman of the National Assembly and of the Kampuchean United Front for National Construction and Defense [KUFNCD] National Council, which is currently paying an official friendship visit to the LPDR at the invitation of the chairman of the Supreme People's Assembly [SPA]. During the visit, the Cambodian delegation has also worked together with the LFNC Central Committee.

On this occasion, Phoumi Vongvichit welcomed the delegation's official friendship visit to the LPDR, the visit, which he said, has contributed to further consolidating, promoting, and strengthening the friendship relations, special solidarity, and all-round cooperation between the assemblies and between the KUFNCD National Council and the LFNC Central Committee of the two countries. Phoumi Vongvichit also informed Chea Sim of the work performances of the LFNC Central Committee which has maintained a significant role in rallying the multiethnic people to contribute to defending and building the country, in particular during the present period of restructuring in the economic, cultural, and social fields.

In return, Chea Sim expressed his pleasure over the warm and friendly welcome given to him and his delegation during the visit to Laos. He also pointed to the roles and responsibilities of the KUFNCD National Council in fulfilling the aspirations of the multiethnic Cambodian people by maintaining their rights and interests, rallying the Cambodian people to extensively carry out tasks of building and defending the Cambodian fatherland under the leadership of the Kampuchean People's Revolutionary Party [KPRP].

Reiterating the stand on the settlement of the Cambodian problem, Chea Sim said: At present, the State of Cambodia is continuing to seek further ways and means to settle the problem. He noted the resolution on the solution to the problem, which has just been unanimously reached by the UN Security Council. Chea Sim continued: The State of Cambodia has agreed to accept Prince Norodom Sihanouk as chairman of the National Assembly and Hun Sen as the only vice chairman of the Assembly. But, the Cambodian resistance factions have rejected this. They have called for a change by adding the number of vice chairmen to the Assembly. The State of Cambodia has adhered to the stand of equality and justice in the settlement of the problem. Chea Sim also expressed support for the announcement of the UN secretary general who has proposed the observance of a cease-fire by all Cambodian factions beginning 1 May. He noted the readiness of the State of Cambodia to observe this cease-fire proposal, a proposal which, he said, will contribute to effectively settling the Cambodian problem.

Leaves Vientiane, Visits Luang Prabang

BK0205134291 Vientiane Domestic Service in Lao 1200 GMT 2 May 91

[Text] On the afternoon of 30 April, the delegation of the State of Cambodia National Assembly led by Comrade Chea Sim left Vientiane for a visit to Luang Prabang Province.

In Luang Prabang, Chea Sim and his party were welcomed by Vongphet Saikeu-yachongtua, chairman of the Administrative Committee of Luang Prabang Province. Later, the two sides held private talks. That evening, the Administrative Committee and (?cadres in the municipal area) of Luang Prabang Province held a wecome ceremony and reception in honor of the delegation.

On the morning of 1 May, the delegation of the State of Cambodia National Assembly visited many historical places and ruins in the municipal area of the province.

That afternoon, after returning from Luang Prabang Province, the delegation received members of the Committee of the Laos-Cambodia Friendship Association, who hailed its visit to the LPDR.

Editorial Hails Chea Sim Visit

BK0105111991 Vientiane Domestic Service in Lao 0500 GMT 29 Apr 91

[29 April PASASON Editorial: "Hail the Visit to the Lao People's Democratic Republic by True Friends—the High-level Delegation of the State of Cambodia"]

[Text] A high-level delegation of the State of Cambodia led by Chea Sim, Political Bureau member of the Kampuchean People's Revolutionary Party Central Committee, chairman of the National Council of the State of Cambodia, and chairman of the Kampuchean United Front for Construction and Defense, arrived here today for an official friendship visit to the Lao People's Democratic Republic [LPDR]. The delegation also brings the spirit of friendship and affection as well as special ties to our Lao people. The Cambodian delegation's visit will also reinforce the long-standing friendship and cooperation between the Lao and Cambodian peoples.

Laos and Cambodia are neighboring countries and were once regarded as brothers [ban keo heuan dong]. During the several decades of colonization by foreign countries, our Lao and Cambodian peoples fought side by side for independence and freedom and tried their utmost to provide each other with both material and moral support in the spirit of proletarian internationalism. The Cambodian people, who are striving to develop and defend their fatherland, have up to now been cooperating with the Lao and Vietnamese peoples in the struggle for durable peace and cooperation in Southeast Asia.

The Cambodia delegation's visit to the LPDR takes place as all Lao people are joyously implementing the resolution of the Lao People's Revolutionary Party's fifth congress. This visit also contributes to the strengthening of special relations and comprehensive cooperation between the two countries. The Lao people, elated by the improvement of relations and cooperation between the two countries, welcome the delegation and wish its visit a brilliant success so as to contribute to the fulfillment of mutually common tasks.

Cambodian Youth Delegation Pays Visit

BK2804120391 Vientiane Domestic Service in Lao 1200 GMT 27 Apr 91

[Text] On the afternoon of 26 April, a delegation of the Kampuchean People's Revolutionary Youth Union led by Men Koun, first secretary of this organization, arrived here for an official friendship visit to our country.

Greeting the delegation upon its arrival at Wattai Airport were Comrade Mrs. Thongvin Phomvihan, first secretary of the Lao People's Revolutionary Youth Union Central Commimttee, and a number of cadres concerned.

Long Kem, ambassador extraordinary and plenipotentiary of the State of Cambodia to Laos, was also present at the airport.

During the six-day visit, the delegation and its Lao counterpart will exchange views and lessons in youth work to further increase special relations between Laos and Cambodia.

Agreement Signed; Visit Ends

BK0205145591 Vientiane Domestic Service in Lao 1200 GMT 2 May 91

[Text] The delegation of the Kampuchean People's Revolutionary Youth Union Central Committee led by its first secretary, Men Koun, paid a visit, from 26 April to 2 May, to the Lao People's Democratic Republic at the invitaiton of the Lao People's Revolutionary Youth Union Central Committee [LPRYU CC].

During its visit, the delegation paid a courtesy call on Oudom Khatthi-gna, head of the party Central Committee Organizational Board and person in charge of guiding mass organizations, and attended a welcoming meeting organized by the LPRYU CC at the Public Health Ministry. The youth delegations of the two countries also met and exchanged views on the situations of youth work in each country and consulted with each other on the direction of future cooperation plans. The LPRYU CC delegation, led by its first secretary Mrs. Thongvin Phomvihan, and the Cambodian youth delegation, led by Men Koun, subsequently signed a cooperation agreement for the 1991-93 period. The agreement spelled out plans for continuing cooperation in the (?education and training field), strengthening and building [word indistinct], and strengthening and increasing the efficiency of cooperation in various fields between Lao, Cambodian, and Vietnamese youths [words indistinct] progressive (?students) of democracy in this region and the world to fight against the imperialists and reactionaries and for peace, independence, democracy, and social progress.

Leaders Send Greetings to Afghan Counterparts

BK0105053291 Vientiane Domestic Service in Lao 0000 GMT 30 Apr 91

[Text] On Afghan Revolution Day, 27 April, Kaysone Phomvihan, chairman of the Lao People's Revolutionary Party [LPRP] Central Committee and chairman of the Council of Ministers, and Phoumi Vongvichit, acting president of the Lao People's Democratic Republic, sent a greetings message to Najibullah, secretary general of the People's Democratic Party of Afghanistan and president of the Republic of Afghanistan, and Sultan 'Ali Keshtmand, prime minister of the Republic of Afghanistan. The message reads as follows:

On the occasion of the May Revolution Day of the Republic of Afghanistan, on behalf of the LPRP, the government, and the people of Laos, and in own own names, we are very pleased to convey sincere greetings and best wishes for happiness to your excellencies, and through your excellencies, to the Central Committee of the People's Democratic Party of Afghanistan, the government, and all people of Afghanistan. We also wish the Afghan people success in building the country and in implementing the national reconciliation policy to bring about peace to

Afghanistan as well as to the South Asia region and the rest of the world. May the existing good relations of friendship between the parties, the governments, and peoples of the two countries—Laos and Afghanistan—be promoted and expanded with every passing day!

On the same occasion, Phoun Sipaseut, vice chairman of the Council of Ministers and minister of foreign affairs, also sent a greetings message to 'Abdul Wakil, minister of foreign affairs of the Republic of Afghanistan.

Mekong Interim Committee Holds Third Meeting

BK0205062991 Hanoi VNA in English 0611 GMT 2 May 91

[Text] Hanoi VNA May 2—A three-day conference to review the training courses and seminars on the quality of the Mekong River's water was held recently in Vientiane by the Mekong Interim Committee.

At this conference, specialists from Laos, Vietnam and Thailand exchanged experiences and informed each other of the results of water quality analysis in the recent past as part of their preparation for the exploitation, utilization and development of the lower section of the Mekong River.

This was the third conference of this organization held for the first time in Laos. The two previous conferences were held respectively in Bangkok and Ho Chi Minh City.

Vongvichit Receives Outgoing Austrian Envoy

BK0105052691 Vientiane Domestic Service in Lao 0000 GMT 1 May 91

[Text] Yesterday morning, Phoumi Vongvichit, acting president of the Lao People's Democratic Republic, received a farewell courtesy call from Dr. Peter Klein, ambassador extraordinary and plenipotentiary of Austria to Laos at the Presidential Office in Vientiane. Dr. Klein has just completed his three-year term of diplomatic service in Laos with the residency in Bangkok, Thailand.

Philippines

Further Reportage on U.S. Bases Negotiations

No Agreement Expected

HK0305051091 Quezon City Radyo ng Bayan in Tagalog 0400 GMT 3 May 91

[Text] The sixth series of negotiations between the Philippines and the United States regarding the U.S. bases in the country is to be concluded today. However, because of the differences on the compensation issue, no agreement is expected today.

Ambassador Raul Rabe, Philippine panel spokesman, said that after the negotiations, both sides will announce whether they have to set a seventh round of talks. Ambassador Rabe said the Philippines is seeking a rent of $825 million while the United States is only willing to pay $360 million.

Trade Secretary Peter Garucho will meet with U.S. Trade Secretary Carla Hills in Washington to discuss the Philippines proposal for trade concessions which would be included in the compensation package.

Agreement Possible on Non-Cash Issues

HK0305054191 Quezon City Radyo ng Bayan in Tagalog 0400 GMT 3 May 91

[Text] Press Secretary Tomas Gomez III believes that should the two panels fail to agree on the amount of compensation for the U.S. facilities' continued stay in the country, they may agree on the so-called non-cash component. In his program "Clarification and Vision," Secretary Gomez said this includes trade advances, equipment, medicine, and other things:

[Begin Gomez recording] I think that because this negotiation involves a cash portion and non-cash, soft components, so to speak. [sentence as heard] And we have requests for trade advantages. So, this is my own personal view: Maybe America would tell us they really cannot afford to give any additional cash, because America has a bigger budgetary deficit. Therefore, what they may give us are non-cash components, like certain trade advantages. Maybe they will give us equipment for hospital, medical, and military use. Now, assuming these are what they will give us, the Philippines will sum these up and determine the total cost of them all. The amount will again be debated and there will be disagreement again. The United States may say, these are worth $50, while the Filipinos will say, these are only worth $30. So, they will have to talk about this again.

You know, this kind of negotiation should not be done in haste because they go line by line. [end recording]

Negotiations 'Failed'

HK0305110991 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 3 May 91

[Text] The last attempt by the Philippines and the United States to reach an agreement over two crucial issues in the negotiations over the U.S. military bases has failed. The two issues in question are: how much should the United States pay the Philippines for the continued stay of its military installations and how long should these bases remain in the country. However, U. S. Spokesman Stanley Schrager said there would be no strain on the relations between the two countries.

Ambassador Raul Rabe said U.S. chief negotiator Richard Armitage is leaving tonight for consultations with higher government officials:

[Begin Rabe recording in English] President Corazon C. Aquino reaffirmed the Philippine position which sets a compensation package of $825 million per year for a maximum period of seven years. The Philippines was informed that special investigator Richard Armitage is returning to Washington this evening for consultations. The Philippine panel views this development as a continuation of efforts to arrive at a mutually acceptable agreement. Thank you. [end recording]

Aquino, Laurel on Bases Debate

HK0305072391 Manila MANILA BULLETIN in English 3 May 91 p 17

[Text] Senate President Protempore Sotero H. Laurel questioned the announced plan of President Aquino to call a "public consultation" on the issue of the United States military bases during the privilege hour in the Senate the other day.

Laurel also assailed the manner in which the Philippine panel is negotiating with U.S. officials on the future of the U.S. military facilities, which allegedly disregarded the principles enunciated in the Constitution.

Laurel said that the Constitution ordains that "national sovereignty, territorial integrity, national interest, and the right to self-determination" are the paramount considerations in Philippine relations with other states.

He also said the Philippine panel has "finally unwrapped its demand for an annual compensation package of $825 million, including a cash component of $400 million for seven years."

He described this as a "big let-down from the Manglapus-Shultz agreement of Oct. 17, 1988, claimed to reach a maximum of $1.2 billion annual financial benefits with a cash component of $481."

Laurel also charged that the public consultation planned by the administration violates the Constitution which requires that a referendum on a new U.S. bases treaty should be held only after the treaty is ratified by the Senate.

And, he added, "we can be sure of extraordinary efforts by the Executive with her awesome powers and resources to obtain a favorable outcome of such ballyhooed consultation."

Laurel concluded that the main purpose of the President in ordering "consultations" is to "influence the decision of the Senate which is called upon as the next player or actor to decide whether to ratify or not to ratify the new treaty."

Laurel pointed out that there are many other facets of the new treaty that should be explained to the people, such as the issues of criminal jurisdiction, the presence of nuclear weapons in the bases which is prohibited by the Constitution, and U.S. access to the bases after the termination of the present or new treaty.

Panel Member on Negotiations

HK0305010191 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 2 May 91

[Interview with Alfredo Bengzon, Health Department secretary and negotiations panel member, by anchorman Joe Taruc—live; passages in italics in English]

[Text] [Taruc] *Mr. Secretary, good afternoon.* Can you please update our listeners.

[Bengzon] The two sides are still negotiating *at the level of technical discussion. Technical discussions* mean talks on issues like *ground rules of how these facilities are to be operationalized should we come to an agreement.*

[Taruc] Mr. Secretary, at this moment, is there no change yet on the Americans' position regarding our country's demand.

[Bengzon] They have not responded to our proposed package. It seems they want to discuss technical issues first. Perhaps in the coming days, they may respond to the bigger issues.

[Taruc] For the information of our common people, our demand for $825 million rent each year for seven years is not all hard cash, sir, is it?

[Bengzon] No, Joe. *Only $400 million or less than half* of the $825 million, *is cash or cash equivalent.* With their offer of $320, the shortfall is only $80 million. Secretary Manglapus said they can include the debt condonation. So, what remains of our demand for $400 million is only about $30 million. That is a very small amount. If you compare this to what is paid to Poland or Egypt, it is really difficult to understand their reason for not granting the remaining 30.

[Taruc] Has negotiator Richard Armitage not changed his position on his offer of $320 million.

[Bengzon] No. What I said is that, today and during the past days, they have been discussing technical issues. Perhaps, they will discuss the big issues later.

[Taruc] There were reports, Mr. Secretary, which said that although the talks have been full of uncertainty, it is expected that an agreement may be signed tomorrow, Friday. What is the possibility of this happening?

[Bengzon] No. I think it is not yet time to sign an agreement.

[Taruc] Mr. Secretary, have there been any issues resolved in the talks? Is there any agreement to conclude the talks tomorrow?

[Bengzon] Let us wait for their response to our proposal. That is what we are waiting for.

[Taruc] Thank you Mr. Secretary, you might want to say something to our listeners, who have been actively monitoring developments in the bases talks.

[Bengzon] We are only obeying what the president wants. She said that our proposal is reasonable and responds to their needs: military and political needs. So, it is only proper that they respond to our economic needs. And although she stressed that she wants an agreement, it does not mean that any agreement will do.

[Taruc] Thank you Mr. Secretary. You have just heard Secretary Alfredo Bengzon, one of the Philippine panel members who is participating in the talks with the Americans concerning the military bases issue.

Bases Talks Deadlock Viewed

HK0305055391 Manila THE CHRONICLE in English 3 May 91 p 4

[Editorial:"Why the Deadlock Remains Unbroken"]

[Text] The current round of talks on the bases virtually ended with a stalemate yesterday and U.S. chief negotiator Richard Armitage is leaving the country today. The talks continue to be deadlocked on the issues of how long the bases will stay and how much the U.S. will pay.

In regard to the compensation, the Philippines has insisted on its demand for a $825 million economic package and the bone of contention is over its cash and non-cash components. Mr. Armitage was originally scheduled to leave Manila by the weekend so he would not be here when the Japanese Prime Minister, Mr. Kaifu, begins his visit.

Mr. Armitage, it was said, wanted to avoid leaving the impression that Mr. Kaifu's visit and the bases talks are tied. But the two events are not entirely unconnected. Mr Kaifu, it is believed, is prepared to remind Filipino leaders that the bases are important to regional security and to reassure that Japan would never be a military power despite the fact that it has dispatched a naval squadron to help in clearing mines at the Persian Gulf. The naval mission is the first time that Japan's Self-Defense Forces are being sent out of its territorial waters since World War II.

Mr. Kaifu is taking over where Mr. Armitage has felt—that is, to try to persuade the Philippines to conclude a treaty and end the uncertainty over regional security arrangements. [sentence as published] Japan's diplomatic pressure comes in a more subtle form than American methods in the current negotiations. There is no doubt Japan has some clout arising from the fact that not only is it the biggest donor of official assistance but so is it influential in wrangling concessions for debt relief. So, there could be trade-offs between aid, debt relief concessions and the bases.

Thus, despite Mr. Armitage's departure, the bases will still be implicitly on the agenda of the Kaifu visit.

Mr. Armitage, after meeting Senate President Jovito Salonga, had the impression that the Senate would not ratify a treaty "unless there are substantial changes." This means that the Philippine panel must find a formula that would be seen as acceptable to the Filipino public, and even to the Senate.

The Senate cannot be ignored but more important is that the treaty will be seen by our people as giving us economic resources that can be transformed into productive assets, leading to the enjoyment of relative political and economic autonomy.

It is possible that the Filipino negotiators have found that the U.S. proposals do not meet these requirements. That is why the deadlock remains unbroken.

We are sure the U.S. panel is negotiating to get the most advantageous terms and this is a legitimate objective. But until Filipino negotiators are satisfied that the treaty will be seen as acceptable to the public, they will continue to stonewall. Such a stonewall is also legitimate because the Filipino panel cannot negotiate in a vacuum—it must function within the limits of public opinion.

Future Security Needs Viewed

HK0305070191 Manila THE CHRONICLE in English 2 May 91 p 4

[From the "On the Level" column by Alex Magno: "Future Security Needs of Our Country"]

[Text] Once again, the matter of scrapping our mutual defense treaty with the United States has been raised with much fanfare in the Senate.

The foreign relations committee of the upper chamber recommended the issuance of a Senate resolution seeking the abrogation of the 1951 RP [Republic of the Philippines]-U.S. Mutual Defense Pact.

The mutual defense treaty has, by this time, demonstrated itself to be a useless diplomatic document. Since it does not guarantee automatic retaliation on the part of the United States in the event of aggression committed against the Philippines, the treaty is superfluous.

The inutility of the Mutual Defense Pact has been demonstrated many times in the past. But while the Pact serves us little, it serves the U.S. well.

As Senator Enrile pointed out, the Pact is used by the Americans to justify non-payment of rent for use of the base facilities. From the U.S. point of view, our hosting of the bases is part of our responsibilities towards assuring "mutual security."

The notion of "mutual security" foisted by the Americans is an archaic one. It presupposes that the United States and the Philippines face a common enemy.

In a post-Cold War context, the assumptions of "mutual security" do not seem to hold. "Mutual security" assumes the possibility of armed aggression from a power opposed both to the U.S. and the Philippines. That assumed possibility requires that the two nations collaborate for "mutual defense."

In an earlier period, marked by appalling ideological stupidity, the underlying assumptions of the Mutual Defense Pact carried, albeit anomalously, some credibility. The Philippines and the United States were imagined to be standing shoulder-to-shoulder in defense of the "Free World" against "Communist expansionism."

After the dramatic events of 1989 in Eastern Europe, it has become futile to continue belaboring the tenuous assumptions that underlie the Mutual Defense Pact. That treaty is a relic. It must be consigned to the same museum of diplomatic artifacts where the Warsaw Pact now rests.

But the anomalousness of the Mutual Defense Pact's assumptions is, most likely, only part of the reason why the Senate has resurrected the debate.

The possibility of Philippine withdrawal from the Mutual Defense Pact creates political leverage in our favor in the

closing stages of the negotiations over the future of the U.S. bases. It might, however, be too late to alter the drift towards the retention of the bases according to terms preferable to the U.S.

At any rate, moving strongly towards the abrogation of the Mutual Defense Pact shall provide the Senate a means to save face in the event it is forced to go along with the extension arrangement now being worked out by the Executive Branch. Senate consent for the retention of the bases may be balanced off by that chamber's initiation of a process leading to the abrogation of the Mutual Defense Pact.

Such abrogation, if it does push through, shall deliver much political theater but little actual impact on our security situation.

The understanding of our security needs ought to be liberated not only from the bondage of the Cold War framework but also from the more general view that security lies only in the political and military sphere.

In the future, the threats to our people's security shall come from environmental degradation, imported pollution, the scarcity of critical natural resources, weather changes, arising from the seriousness of ecological dislocation, restricted access to foreign markets and technological protectionism.

The Mutual Defense Pact becomes doubly irrelevant when situated in this context. It is not only a relic from the Cold War, it is a remnant of a period when the dominant political paradigm eclipsed the security of real human beings by focusing on the security of nation-states in a terrain where the possibility of war is constantly entertained.

To say that the time has come to scrap the Mutual Defense Pact is trite; the time for that has long arrived.

It should be more useful to deliberate the radical rethinking of our entire foreign policy structure and devise a comprehensive strategy that shall allow our people to better cope with the vagaries of the future.

Tradition and the institutional nature of our foreign policy establishment has kept our foreign policy in a nineteenth century mold. This must be changed.

Indian President on Ties, Talks With Leaders

BK0105105891 Delhi Domestic Service in English 0830 GMT 1 May 91

[Text] The president, Mr. R. Venkataraman, has reiterated India's commitment to the territorial integrity and sovereignty of Sri Lanka. In an informal chat with newspersons in Manila today, the president said while New Delhi is anxious about the minorities in Sri Lanka, who should be assured of a certain measure of autonomy, it does not want the division of the island nation. He said both Hanoi and Manila supported India's policy of friendship toward the neighbors. Mr. Venkataraman said while India's relations with Nepal and Bangladesh had improved with the restoration of democracy in these countries, with Pakistan it is still not satisfactory. He told the journalists before departure for Delhi that his visit to the Philippines and Vietnam was successful.

Summing up his talks with the Philippines and the Vietnamese leaders, the president said there was common understanding for increasing cooperation among the developing countries. They shared the view that while GATT negotiations were meant to improve the prospects of the developing countries, the developed nations have used it to their advantage by including other subjects. Mr. Venkataraman called upon the developing nations to increase cooperation among themselves so that they can negotiate with the developed countries from a position of strength. All India Radio Southeast Asia correspondent reports that President Venkataraman's visit to the Philippines has brought New Delhi and Manila closer.

Activists Protest Kaifu Visit, Minesweepers

OW0305130891 Tokyo KYODO in English 1135 GMT 3 May 91

[Text] Manila, May 3 (KYODO)—Antinuclear activists on Friday protested Japanese Prime Minister Toshiki Kaifu's upcoming visit and a simultaneous port call by Japanese minesweepers to the Philippines, saying the visits will establish a precedent for future Japanese military operations in the region.

"This is a departure from Japan's so-called 'self-defense posture' and will establish a precedent for future Japanese military operations in the Asia-Pacific region and even outside the region to catch up with its global economic power," the Nuclear-Free Philippines Coalition (NFPC) said in a statement.

Kaifu is scheduled to start a three-day visit to the Philippines on Saturday, the same day that the Japanese minesweepers will make an eight-hour port call at the U.S.-run Subic Naval Base, about 80 kilometers north of Manila.

The minesweepers are en route to the Persian Gulf, where they will help clear Iraqi-planted mines.

"Japan's Self-Defense Forces (SDF) have, over the years, increasingly assumed an offensive posture, with Washington encouraging SDF projection of naval power even beyond one thousand miles from the Japanese coast, as evidenced now by the operation of these minesweepers," the statement said.

The NFPC also said Japan's highly visible military posture will increase tensions between the Philippines and other East Asian states and a rearmed Japan.

Over the last few years, countries in the region, including the Philippines, have "watched with alarm" as Japanese defense spending rose above 1 percent of Japan's gross national product and became the third largest in the world, it said.

The NFPC statement added that the U.S. has taken advantage of Asian fears of a rearmed Japan to secure tolerance for its own continued military presence in the area as an insurance against Japanese military expansion.

Kaifu To Support 'Maximum Concessionality'

HK0305072591 Manila THE CHRONICLE in English 3 May 91 p 1

[By staff member Lito Zulueta]

[Text] Japanese Prime Minister Toshiki Kaifu will support the Philippines' bid to seek "maximum concessionality" with creditor countries but will reject any request for debt condonation, Japanese embassy officials in Manila said yesterday.

Consul General Nobuyasu Abe, briefing Malacanang reporters on Kaifu's visit from May 4-6, said the Japanese premier would reiterate Japan's opposition to a Polish-style debt relief if the Philippines raised the issue.

"In principle, Japan does not encourage (debt) forgiveness because...once that takes place, it will be extremely difficult to continue foreign assistance," Abe said.

"Our voice of wisdom is: you would be able to get a better deal if you continue receiving foreign assistance while paying back your debts," he added.

Pressures on the government to seek condonation of the country's debt mounted as a result of the decision of the countries belonging to the Paris Club early this year to approve a debt rescheduling program for Poland, which included a cancellation of 50% of its debt.

In addition, the U.S. wrote off 70% of Poland's debt to help that country's new democratic government in its economic recovery program.

Japan opposed the condonation.

Embassy officials, however, indicated Kaifu would be open to rescheduling of Philippine official debt.

Maximum Concessionality

Finance Secretary Jesus Estanislao said the Philippines would seek "maximum concessionality" with the Paris Club, which groups together the world's seven most industrialized nations.

Japan is the Philippines' biggest official creditor, holding nearly 70%, or roughly $1.1 billion, of the country's maturing $1.6 billion debt to be rescheduled in the forthcoming Paris Club talks probably next month.

Abe said Kaifu's trip to Manila, the last leg of his Southeast Asian tour, will underscore Japan's continuing commitment to the Philippines.

Abe said Kaifu would reaffirm Japan's commitment of $1.5 billion yearly to the five-year Philippine Assistance Program, a multilateral initiative to bail out the Philippine economy.

Moreover, Kaifu is expected to emphasize the need for the Asia-Pacific region to achieve economic prosperity to maintain peace and stability in the area, said Abe.

In this connection, Abe said Kaifu would underscore the need for prosperity to be anchored on free trade, particularly on a successful end to the Uruguay Round of the GATT talks.

Abe said Tokyo had already agreed to some concessions in the Uruguay Round, especially on the opening of its market to tropical fruits and products to benefit countries such as the Philippines.

Abe said, however, Uruguay parties must make sacrifices to make the discussions work.

"You get something, you lose something," he said.

Kaifu is now in Singapore, where he is expected to express his nation's apology for the sufferings caused by the Japanese occupation of several Southeast Asian countries during World War II.

Kaifu will also reassure President Aquino when he arrives here that Japan's controversial dispatch of six minesweepers to the Persian Gulf does not signal a resurgent military role for Japan in the region.

"I think he will be trying to dispel the fears or concerns about the resurgence of Japan as a military power in Asia," Abe added.

"He (Kaifu) will be telling President Aquino that Japan will maintain its closest contacts possible with the ASEAN countries about its foreign policy, especially its political role," said Abe.

"He will be emphasizing again that Japan will never become a military power that may threaten its neighbors," he added.

Taiwan To Lend Manila $20 Million Loan

HK0305071991 Manila BUSINESS WORLD in English 2 May 91 pp 1, 6

[By Alex B. Reyes]

[Text] Economic and, possibly, political ties between Taiwan and the Philippines will expand further as the island republic is about to extend its first government-to-government loan to the country, BUSINESS WORLD learned.

According to sources at the Metropolitan Waterworks and Sewerage System, [MWSS] final negotiations are being completed between the Taiwan International Economic Cooperation Fund and the Department of Finance for a $20-million soft loan.

The Taiwanese loan will co-finance an existing Asian Development Bank [ADB] loan to the MWSS for a water supply project.

The move to tap Taiwan for foreign aid follows Government's strategy of diversifying its aid sources. At present, 80% of total aid inflows comes from just four fountainheads: the ADB, the World Bank, the Japanese and the U.S. government.

The country has already been successful in landing additional aid inflows from non-traditional sources such as South Korea and Brunei.

Government representatives have also sent feelers to Saudi Arabia and Singapore to explore the possibility of the reserve-rich nations providing balance of payments support.

ODA

Ever since it was denied access to international capital markets in the aftermath of the 1983 debt crisis, the Philippines has relied on official development assistance (ODA) to relieve a personnal dollar shortage and provide the foreign exchange requirements of an import-dependent economy that sluggish export growth has been unable to give.

Although the Taiwanese loan is bound to broaden official contact between it and the Philippines, the proximity of the two nations has already forged close economic relations.

Taiwan is the country's third largest trading partner after the U.S. and Japan, with total two-way trade exceeding a billion dollars.

According to Central Bank [CB] data, last year 7% of the country's total merchandize imports came from Taiwan, with Philippine firms and consumers buying $806 million worth of Taiwanese goods.

Investments

In terms of investments, Taiwanese firms pumped in $27.788 million in equity investments by end-1990, according to cumulative CB data covering 1970-1990, with most of the Taiwanese money coming in during the 1989-1990 period.

But the official investment figures understate investment flows from Taiwanese businessmen. Most Taiwanese investors tend to course their investments through informal channels like Filipino relatives of Chinese descent, or through holding corporations registered in Hong Kong.

One gauge of the size of Taiwanese investment activity is Board of Investments [BOI] data on planned projects. According to the BOI figures, last year total Taiwanese equity in approved projects was P3.5 billion [Philippine pesos], the third largest after Japanese and Hong Kong investors.

Before it was torpedoed by political controversy, the $370 million Luzon Petrochemical plant by Taiwanese-based USI Far East Corporation, was the largest single foreign investment project in the country.

A DoF [Department of Finance] official said that even though this first Taiwanese loan may seem miniscule compared to the multi-millions that the World Bank and Asian Development Bank regularly commit, it does open the way for additional aid, especially since Taiwan seems eager to trade money for greater official recognition.

As Finance Secretary Jesus P. Estanislao told BusinessWorld, "This is just the beginning."

Police Release First Quarter Insurgency Report

HK0205151591 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 2 May 91

[By Restie De Quiros; passages within italics in English]

[Text] The government killed 238 communist rebels and captured 138 as a result of tactical offensives between the Communist Party of the Philippines-New People's Army [CPP-NPA] and government troops during the first quarter of this year.

This was reported in a press statement released by the Philippine National Police [PNP], which also admitted that there were 49 PNP members killed and 17 others injured in encounters with the communist rebels within the past three months.

Furthermore, the PNP reported that eight Citizen's Armed Force Geographical Unit members were killed and 17 others were injured. According to Colonel Cris Maralit, spokesman of the Philippine National Police, 61 NPA rebels were killed or captured in region 11 while 44 were were killed or captured in the Cordillera Mountains. Meanwhile, 19 PNP members were killed or captured in the Cordillera Province, where the counterinsurgency has become intensified.

Maralit also said that the number of PNP members and communist rebels who were killed represents a one to six ratio in favor of the government troops. Maralit also boasted that the PNP launched and carried out a total of 2,500 combat patrol operations within the first three months of this year. The PNP also carried out 169 tactical engagements with the rebels including five big encounters and three attacks on enemy camps. Here is the statement by Colonel Cris Maralit, PNP spokesman.

[Begin Maralit recording] *I would say that the said ratio of encounter and the group success between the PNP and the CPP-NPA,* [as heard] the PNP enjoys a big edge over the rebels because during the *first three months or first quarter of 1991,* the rebel casualties have reached 238 in various encounters, *as compared to* the 49 casualties on the PNP side. [end recording]

Abadia Says Police Unable To Counter Insurgency

HK0305064391 Manila PHILIPPINES NEWSDAY in English 3 May 91 p 3

[By reporter Dario B. Agnote]

[Text] Lieutenant General Lisandro C. Abadia, Armed Forces of the Philippines (AFP) chief of staff, yesterday said that the organizational problems and ill-preparedness of the four-month-old Philippine National Police (PNP) had given the communist insurgents a chance to consolidate their forces in the countryside.

But he was optimistic that this heyday period for the communists would not last long as the military and police forces are now ready to bring their operations off the ground, he added.

Abadia, who declined to comment on Senator Emesto Maceda's accusation that the New People's Army (NPA) rebels are gaining the upper hand in the insurgency war, said that the guerillas would soon receive renewed beatings from the government forces.

Abadia, who vowed to crush the communist insurgency by the end of 1992, admitted to defense reporters that the PNP was confronted "somehow with low morale" due to the law which calls for a transition period to prepare the police to eventually bear the burden of fighting the communist insurgents.

Abadia mentioned that unlike the Army, the PNP did not operate in battalion-size formations in tracking down the NPA rebels in the boondocks. "The PNP is not ready to meet the rebels head-on," he said.

But Abadia expressed optimism that by the time the PNP assumes its role in combating insurgency in the next two years, the strength of the NPA rebels would further go down from the present 16,000 to some 8,000.

By that time, Abadia said the rebels would cease operating in about 100 or 200 contingents. "Instead, they will be a band of 20 to 30 roving men which is easier for the military or the police to crush," he added.

Abadia said that the military would follow closely the developments in the Cordillera region—the site of an intense offensive of the communist rebels.

Abadia said that the military had no qualms about plans by communist leaders to join the coming presidential elections next year provided they give up armed struggle as a means of seizing power.

Abadia declared that the military had no longer "any old hang-ups with the communists." He added that the military would not object to the desire of some party members to join the elections "if that is what the people want."

"But, they (communists) must do away with armed struggle and their armed goons," he added.

Salonga, Laurel, Enrile Criticize Administration

HK0305061991 Manila PHILIPPINES NEWSDAY in English 3 May 91 pp 1, 2

[By reporter Jose H. Macaspac III]

[Text] Graft and corruption in government and its failure to improve the country's economy are the two strongest issues that could be used against the Aquino administration in the 1992 elections, Senate President Jovito Salonga said yesterday.

Salonga, in an interview with newsmen at his Pansol residence, said that the Aquino government has failed: 1) to effectively harness its popularity during the early years of its term, 2) unite the people, and 3) put the country on the track to economic recovery.

Aside from this, the Aquino administration has not been able to adequately curb graft and corruption, Salonga said, apparently referring to charges that Aquino relatives as well as other powerful government officials have cornered juicy government contracts through their influence.

"Two issues will be raised against the Aquino government—graft and corruption and the economic ills," Salonga said, answering reporters' queries on what would be the main issues in the forthcoming presidential polls.

Salonga, the presidential bet of the Liberal Party (LP), said that the Aquino government failed to learn the lessons of Philippine political history.

"These two issues have been consistently raised in elections since 1946," he said, claiming that Mrs Aquino should have studied the reasons for the downfall of her predecessors, including former President Marcos.

Aside from Marcos, other presidents like Elpidio Quirino and Carlos Garcia were severely criticized for failing to correct irregularities during their tenure.

The Aquino government has been consistently lambasted by the political opposition for failing to lead the country out of its economic misery.

Vice President Salvador H. Laurel and Senator Juan Ponce Enrile have been taking turns lashing at the government on these two issues.

Laurel charged that Mrs Aquino had been reneging on her campaign promises, including the implementation of a genuine land reform program, reduction of the foreign debt, and removal of the U.S. bases.

Until now, Laurel claimed, all these promises had not been fulfilled.

Enrile, for his part, said that the Aquino government had allowed persons close to Malacanang to practically corner juicy government contracts.

Meanwhile, Vice President Laurel yesterday said that the deeply-rooted problems of the working people can be solved by "structural rather than cosmetic changes" in our society.

"The problem of mass poverty is far too deep already to be subjected to sheer palabas [show]—like converting Malacanang into a market place for galunggong [species of fish] or a clinic for free circumcision," Laurel told delegates to the Integrated Bar of the Philippines (Manila II Chapter) Convention held at Holiday Inn.

Saying that social justice is "impossible unless we address the endemic joblessness of our people," the Vice President pointed out that "our of a labor force of 22 million, 11 percent or 2.4 million are totally unemployed and 35 percent or 7.7 million are severely underemployed."

"Every year, 800,000 young people join the labor force. The vast majority of them end up joining the fast-growing reserves of the unemployed. Given this structure of the labor market, mostly surplus and very little demand, real wages cannot go up no matter how much we may raise the

minimum wages and no matter how militantly organized labor presses its demands," he said.

In batting for the delivery of social justice as an essential component to his proposed structural changes, Laurel said that this constitutional mandate can only be achieved through the country's accelerated industrialization.

He said our economic policies should be export oriented and should provide needed impetus for capital investments in the country.

At the same time, Laurel proposed the following immediate steps to eliminate graft and corruption at all government levels:

—The strict enforcement of a code of ethics for all government workers;
—The appointment of inspectors general who will assist the Ombudsmen in fighting graft and corruption in all levels of government;
—The establishment of an ethic office in every government agency.

Thailand

Minister Says Nation To Review Export Policy

BK0205132791 Bangkok THE NATION in English 30 Apr 91 p 17

[Text] Thailand would review its export policy to avoid any adverse effects from possible US trade sanctions, following Washington's decision to name Thailand a priority foreign country [PFC], Commerce Minister Amaret Sila-on said yesterday.

Meanwhile, Deputy Prime Minister Sano Unakun said the Government will take into consideration all bilateral issues, not just trade, when negotiating with US authorities on intellectual property protection.

The decision to identify [Thailand] as a PFC was made last Friday and US Trade Representative Carla Hills now has 30 days to pursue the case and another six months to investigate and negotiate with Thai authorities.

"In negotiating with the US authorities, Thailand's interests will take top priority for the Thai Government. The overall relationship with Washington will be taken into account and negotiations will be done in a package covering all bilateral issues, including the aviation agreement between the two countries, not only on trade," Dr Sano said.

Mr Amaret told reporters yesterday he had ordered authorities to review the export promotion plan and try to diversify exports to emerging markets, instead of depending on major traditional markets, particularly the US.

The US had threatened to block Thai exports there over the Kingdom's failure to toe the line on patent and copyright laws.

"Although it would not have an immediate effect at this time because the US administration has not decided to impose trade sanctions against Thailand, in the long run the country has to prepare itself to avoid the mounting trade problem," Mr Amaret said.

He said Thailand's export structure depended on four major export markets—the US, the European Community, Japan and ASEAN. The US market claimed 22.39 percent of total Thai exports.

Mr Amaret said the Thai-US trade dispute could damage Thailand's export industry through the loss of a very large market.

"If the US decided to impose trade sanctions against Thailand by cutting the Generalised System of Preferences privileges, banning imports, setting quotas or raising import tariffs, Thai exports might be less competitive than the same products from other countries which do not face retaliation," he said.

According to the country's 1991 export target, the five products most heavily dependent on the US market were garments (13,865 million baht), computers and parts (11,900 million baht), integrated circuits (11,781 million baht), canned and processed seafood (11,559 million baht) and gems and jewellery (11,343 million baht)

He said it was necessary in the long run for the Government to promote or expand Thai exports to other potential markets, particularly the Middle East and Eastern Europe. He believed there were bright prospects for Thailand to increase its market shares there.

Department of Export Promotion director-general Oranut Osathanon said the Middle East was the target export market for Thailand over the next decade because of a high purchasing power and huge demand for various products following the Gulf war.

Ms Oranut said Thailand did not want to create the impression it was capitalising on commercial opportunities created by the war, but was proceeding with the normal strengthening of trade ties with both the Arab public and private sectors.

"In the near future, through various measures, the Government will try to encourage Thai exporters to capture the Middle East market through Dubai of the United Arab Emirates, which is the gateway of Arab countries," she said.

Economic Ties With Laos To Be Tightened

BK0305003191 Bangkok BANGKOK POST in English 3 May 91 p 6

[Text] Thailand and Laos, during the visit by Laotian Minister for External Economic Relations Phao Bounnaphon, agreed to tighten relations and cooperation.

In a joint press statement released yesterday when the minister's visit ended, both sides reached agreement on:

—Cross-border goods transport: Agreement to the principle of a joint venture in which Laos can select a Thai company to join investment with approval from the Thai Government.

—Tax on agricultural products: The Thais accepted in principle reduction of tax on some agricultural products as proposed by Laos.

—Electricity: They agreed to arrange for a meeting of authorities to ensure fair prices for electricity sold to Thailand.

—Tourism: Both sides agreed to promote more cooperation. Details will be worked out by authorities involved.

—Trade: Agreement to speed up a new trade pact to increase trade volume and improve systems and regulations involved.

Anan on Independence From Peacekeeping Council

BK0305011191 Bangkok BANGKOK POST in English 3 May 91 p 3

[Text] Prime Minister Anan Panyarachun last night denied the National Peace-keeping Council [NPKC] directs his actions.

He was asked why military officers have been appointed directors of many state enterprises.

Speaking during a "Meet the Prime Minister" TV pool programme broadcast from Government House, Mr Anan said it is impossible for the NPKC to direct him in any way, although he is not in a position to say if he agrees or not with the recent appointment of senior military officers, particularly those of Army Class 5, as directors of state enterprise boards.

The Premier recently announced at the Foreign Correspondents Club it was his Cabinet, not the NPKC, which appointed military officers as state enterprise directors.

"We should regard them neither as military officers nor civilians. Some have been so appointed by virtue of suitability," he said when asked if the military officers' appointments had been part of his "colourblind" policy.

Mr Anan announced, shortly after taking charge as interim premier, that he sees "no colour" at all, referring to military officers who are usually distinguished by their colourful uniforms.

The Premier also denied he had taken the policy of dissolving state enterprise unions from the NPKC.

Anchorman Somkiat Onwimon asked Mr Anan in what area he might have been submissive to the NPKC in the two months since he took office.

The Premier said he sticks to the principle of working independently and there is no game to play between himself and the NPKC.

"My principle has never changed. I work independently. Consultation is another thing, though. There is no game to play between me and the NPKC. There is no such thing that one will win or score more points than the other," he said.

Regarding the Army as "part of the Thai governmental structure," Mr Anan said he visited the Army just as the head of government but accepted he could not visit every department in the civilian sector of government.

His comment was in response to anchorman Sutthichai Yun, who had asked if he and his Cabinet would be interested enough in the Civil Service Commission [CSC] to pay it a visit as a civilian part of the Government and learn to understand it better.

Talking about former CSC secretary-general Samran Tharayut, who has been transferred to a reserve post at the Prime Minister's Office, Mr Anan said Deputy Prime Minister Michai Ruchuphan planned to have Mr Samran work with him before the ex-CSC chief retired in the next four or five months.

The Premier said Mr Samran would feel small about his transfer but that did not mean political officials were persecuting permanent officials.

"I used to be a permanent official and got persectued but I said nothing," Mr Anan said jokingly.

Talking about elections, Mr Anan said there should be a general election every three or four years for a few consecutive times so people, particularly young people, would be used to it.

The Premier said democratic rule has been "interrupted" every four, eight or 10 years in the past and politicians would be desperate for a while but they would never back away from the political arena whenever elections arise.

But he said he has become a politican because it was "necessary" but he would not jump into the political arena in the future.

Editorial Welcomes Lifting of Martial Law

BK0305005991 Bangkok BANGKOK POST in English 3 May 91 p 4

[Editorial: "Ending Martial Law in Spirit and Substance"]

[Text] One of the major bones of contention in the aftermath of the February 23 coup d'etat has been the imposition and retention of martial law. Despite the fact that it caused no serious disruption in the conduct of life in general, the existence of martial law created a negative image for Thailand in the eyes of the outside world. Somehow a good part of foreign perception had, albeit unfairly, lumped this country in the same category as violence-prone places such as the Philippines or the banana republics of Latin America. There was also a growing outcry among the various sectors of the local intellectual community. Among other things, the ban on political gatherings by more than five people that was inherent in martial law was seen as an infringement of the public's fundamental right to freedom of expression.

Against this background, the announcement by Prime Minister Anan Panyarachun of the lifting of martial law throughout the country with the exception of sensitive border provinces with effect from today is welcome news. The action reflects a confidence on the part of the caretaker administration; it is a step in the right direction towards restoring political normality. The lifting could

have taken place earlier, lest for official concern about possible disruptions during labour celebrations on May Day which eventually proved unfounded. The continued retention of martial law in several border districts and provinces where it was already in force before the coup is understandable—leaders of the National Peace Keeping Council [NPKC] have made it clear before that it was still needed for security reasons.

Now that martial law is lifted for Bangkok and most of the rest of the kingdom, the Government has a convincing case that the speed with which the country is moving towards returning to political normality is satisfactory. Indeed much has been achieved in the slightly over two months since the military takeover. The Anan administration has moved briskly to tackle vital issues such as bureaucratic and infrastructural reforms. Not withstanding its controversial guideline on the separation of legislative from executive powers, the NPKC has also largely lived up to its promise of effecting a quick constitutional drafting process.

But more action is needed to fully restore domestic and international confidence that Thailand is indeed returning to the civilised and liberal society that it used to be before. For a start, the fate of those people who were arrested while martial law was in force and are therefore being prosecuted in a military court has to be addressed. Falling in this category are the 42 villagers in Yasothon who were arrested while protesting delays in government compensation for damage caused by the construction of a reservoir—a local controversy which has been awaiting resolution for a long time.

Whether the lifting of martial law will open the floodgates for public airing of opinions remains to be seen, but the Government and security authorities will also have to adopt an enlightened attitude on protests or demonstrations that are based on reasonable grounds. The steady liberalisation of the country's political, economic and social systems over the past decade has produced a pluralistic society where freedom of expression through non-violent means had very much become a healthy fact of life. It was unfortunate that this process was interrupted for the brief period since the coup. Now that the authorities have felt sufficiently confident to lift martial law, it is only natural for the process to be revived. All this, of course, is predicated on the understanding that public airing of opinions is done within the law.

Finally, wide public participation—be it direct or indirect—should be encouraged in the new constitution which is currently being drafted. As the Mother of Laws, the charger will provide the main basis for this country's future political direction and hence its importance cannot be overstated. As such, it is the legitimate right for each concerned citizen to have a say. Suggestions so far have ranged from public hearing to a referendum. How to effectively achieve this aim within the timeframe laid down by the interim constitution is a challenge the constitution-drafting committee and the National Legislative Assembly have to overcome.

Vietnam

News Conference Held on 7th CPV Congress

BK0305130791 Hanoi Domestic Service in Vietnamese 1100 GMT 3 May 91

[Text] An international news conference was held by the Vietnamese Foreign Ministry at the Government Guest House in Hanoi on the afternoon of 3 May to announce preparations for the Seventh National Congress of the Communist Party of Vietnam [CPV].

In front of a large number of foreign and local newsmen, Comrade Tran Trong Tan, member of the party Central Committee and head of the party Central Committee's Ideological and Cultural Department, said: The country as a whole has thus far had 2,155,000 party members. After three years of party rectification, from 1987 to 1990, over 206,000 party members were disciplined, with 78,200 of them being removed from the party. Also during the above three-year period, over 303,200 people were admitted to the party. Seven party departments at the central level were dissolved while the personnel staffs of party organs at various levels were streamlined by 18 percent.

The Seventh National Congress of the Communist Party of Vietnam will be held at the end of the second quarter of this year with a total of 1,176 delegates attending—151 delegates fewer than those in the Sixth Party Congress.

Comrade Tran Trong Tan told newsmen that as compared to preceding congresses, this time there are many new features in the preparations for the seventh party congress. The draft platform and the socioeconomic strategy were prepared three years ago. The rectification of the party has also been carried out constantly for a few years now. The party Central Committee has set up various preparatory subcommittees for the congress with many party Central Committee members as their members. Formerly, only document drafting committees were set up and placed under the guidance of the Political Bureau.

All the draft documents have been previewed by the party Central Committee before being made public to solicit suggestions from the entire party and the masses. The summing up of views on various documents have been carefully organized and a number of these views have been carried in various mass news media. Those views contributed to the draft documents of the party congress this time are copious. For instance, there have been as many as 138 different names suggested for the platform alone. All the documents are being revised and further supplemented as suggested by party members and the people.

Comrade Tran Trong Tan spent time analyzing new, fundamental points in the contents of the draft documents of the seventh party congress. From the renovation of various essential areas of the social life over the year, the CPV has pointed out many lessons of experience in carrying out renovation, namely firmly maintaining an independent and creative attitude in coming up with renovative advocacies and policies; firmly maintaing the socialist

orientation in the renovation process; carrying out renovation in a comprehensive, uniform, and thorough fashion but with appropriate steps, forms, and work methods; firmly grasping the relationship between economic renovation and political renovation; and developing socialist democracy. This process should be given satisfactory guidance with steady steps suited to the sociopolitical situation in general. It is necessary to satisfactorily anticipate the situation, promptly uncover and properly resolve those freshly arising problems and assert the need to choose a course of advancement toward socialism. To realize this lofty mandate, the CPV must continue to further renovate itself.

Comrade Tran Trong Tan also said: As the Seventh CPV Congress is drawing near, the party Central Committee Political Bureau has issued a decision to set up an organizing committee for the seventh party congress. A news center for the congress will be open in the near future. This news center will strive to create favorable conditions for newsmen to monitor and report on the congress.

Afterward, Comrade Tran Trong Tan answered various questions raised by the correspondents of FAR EASTERN ECONOMIC REVIEW, REUTER, AFP, Soviet television, and other press and new agencies surrounding such issues as the contribution of views by the people to various documents of the congress, the broadening of democracy in Vietnam and its door-opening policy, as well as other issues of interest to the foreign press.

Article Urges Lasting Cease-Fire in Cambodia

BK0305093591 Hanoi Domestic Service in Vietnamese 0015 GMT 3 May 91

[Article by Nguyen Qui: "To Make the Cease-Fire in Cambodia Truly Effective"]

[Text] The cease-fire agreement among the Cambodian sides took effect on 1 May. This event made this year's International Labor Day more significant and was an important milestone in the process of reaching a comprehensive solution to the Cambodian issue.

After many years of war and genocidal disaster, and enduring untold sufferings and losses, the Cambodian people have eagerly longed for peace every day and every hour, and their earnest desire has now come true. They are no different from a man walking in a desert who desire a drop of fresh water. They now have what they need.

The people of other countries, especially the neighboring ones, sympathize with what the Cambodian people have endured and gone through. On any day in the past without peace and stability in Cambodia, neighboring countries were also unable to enjoy peace on that same day and would have to bear the adverse impact. Gunfire has therefore stopped in Cambodia after 12 long horrible years, allowing the world and especially neighboring countries to feel relieved of their worries.

When the Cambodian sides began to agree with the call for a cease-fire by the cochairmen of the Paris conference on Cambodia and of the UN general secretary, many people rejoiced. However, they could not help but doubt whether the cease-fire would come into effect on 1 May. Such doubt has be repelled. The cease-fire has become a reality. Everything has its own process and must progress step by step. It is always the first step that costs. Yet, once it is overcome, a momentum will be created for the following steps just like a vehicle that has started moving. The implementation of the cease-fire order in Cambodia on 1 May was the starting of that vehicle.

From this starting point, the next step to be made is how to reach a true cease-fire, a permanent cessation of all fighting. No one can suspect the goodwill of the Cambodian Government that is controlling in fact 90 percent of the territory and has been relentlessly struggling for a lofty goal, that is, to restore peace for the country and nation and to chase away fear of the genocide danger.

The Cambodian Government was the first to voice support for the international call for a cease-fire. What is of concern now is mainly whether or not the other side will truly observe the ceasefire. In particular, it is necessary to prevent the possibility of the other side taking advantage of the opportunity to violate the cease-fire and then accuse its opponent of the violation to carry out its land grabbing operations as it did before 1 May.

This was mainly what the Cambodian Government had warned the general public against. Even at this moment, one begins hearing the Khmer Rouge and Blue [latter is a pejorative reference to Son Sann and Sihanouk noncommunist factions] say that the Phnom Penh side has violated the cease-fire agreement. The Cambodian Government's warning has proved to be true and well grounded. In order to make the cease-fire in Cambodia truly effective and no longer a temporary one, the effort should come first from the Cambodian sides. However, there should be positive support from outside, specifically the supply of arms and war materiel to Cambodia should stop immediately. The Cambodian people no longer need this war materiel.

Any words and actions which can be welcome now, are those that turn the temporary cease-fire in Cambodia into a permanent one. The Thai Government has pursued and is pursuing this objective when it told Chairmen Hun Sen that Thailand strongly supports the cease-fire in Cambodia and encourages all plans for the Supreme National Council meeting.

The Japanese Government also expressed its positive and constructive attitude. At the Bangkok meeting with leaders of the three Cambodian factions, Prime Minister Kaifu who was visiting Thailand, called on the Coalition Democratic Kampuchea to intensify its efforts for peace. He considered the cease-fire agreement a correct action and the three Cambodian factions in the Coalition Democratic Kampuchea should accelerate the process of peace which he said is in the last stage of the spirit of mutual concession.

The process of settling the Cambodian issue might still be rife with difficulties and obstacles. However, no matter how it will be, the first somewhat important step has been made. It should be consolidated and maintained for the

next step. Everyone can hope for the dawn of peace on the horizon in the Angkor Wat territory.

Commentary Says Phnom Penh's Worries 'Real'

BK0305074191 Hanoi International Service in English 1000 GMT 2 May 91

[Station commentary]

[Text] In mid-April the two cochairmen to the Paris International Conference on Cambodia and the United Nations secretary general called on all Cambodian factions to cease hostilities as from 1 May to at least the end of the meeting of the Supreme National Council [SNC] scheduled for mid-May.

The cease-fire proposal has been accepted by all Cambodian parties and exactly on May Day the cease-fire order began to be effective, providing hope for broad sections of public opinion. This temporary cease-fire is expected to create a favorable atmosphere for the success of the next SNC session.

People are wondering whether the temporary cease-fire will continue taking place in the coming days. Back from Japan where he had a medical check, Cambodian Prime Minister Hun Sen described the mixed feelings of optimism and concern about the prospects of the cease-fire. He said he was optimistic of this international appeal for a cease-fire, adding that the Phnom Penh troops have been ordered to stay in their camps to cease hostilities. He noted that the cease-fire order is easily observed by the Phnom Penh Army, which has camps, (?sophistication), and unified command. The Cambodian leader expressed concerns over the fact that it is difficult to know the whereabouts of opposition Khmer forces who are scattered in groups deep in the jungle. Added to this is the lack of a commitment to end foreign military supplies.

These worries on the part of the Cambodian state are real. To make the cease-fire effective, the Cambodian sides should demonstrate and strictly abide by their commitment to the cease-fire order. At the same time, [words indistinct] should (?willingly) stop receiving military aid from outside, and foreign countries should terminate military supplies to all Cambodian sides. If all these details to the cease-fire are followed in good faith, it will be safe to say that a political solution to the Cambodian issue is within sight.

Commentary Remarks on Japanese Aid to Cambodia

BK0305091091 Hanoi International Service in English 1000 GMT 2 May 91

[Station Commentary]

[Text] According to AFP, Japanese Prime Minister Kaifu recently flew from Brunei to Bangkok to start a 2-day visit to Thailand. In an interview with THE NATION English-language newspaper in Thailand, the Japanese prime minister promised that Japan will positively support ASEAN efforts for better ties with the Indochinese countries. He said that to bring the Indochinese countries into the vigorous economic mainstream in Asia is a matter of importance, and he said he hoped that ASEAN will broaden contacts with the Indochinese countries.

When Mr Kaifu was conducting a tour of some Southeast Asian countries, Cambodian Prime Minister Hun Sen came to Japan for a medical check. The Cambodian leader took the occasion to meet with Japanese Foreign Minister Nakayama and many other Japanese officials.

The Japanese Government has decided to provide humanitarian aid worth about $1 million through UN agencies to war victims. Japan's humanitarian aid to Cambodia and Mr Kaifu's support for better relations between ASEAN and the Indochinese countries are steps toward the right direction. Happily they will help bring about peace and stability to Southeast Asia.

Press Release Issued on DPRK Delegation's Visit

BK0205152591 Hanoi VNA in English 1309 GMT 2 May 91

[Text] Hanoi VNA May 2—A press release was issued today at the end of a five-day official visit to Vietnam by a delegation of the government of the Democratic People's Republic of Korea led by vice president Li Chong-ok.

The press release said, among other things, that on April 27 a delegation of the Vietnamese Government led by Vice President of the State Council Nguyen Quyet held talks with a delegation of the government of the Democratic People's Republic of Korea led by led Vice President Li Chong-ok.

The Vietnamese side expressed its pleasure at the successes recorded by the Korean people in national building and development over the past 40 years.

It also expressed the Vietnamese party, government and people's deep sympathy with the Korean people's aspiration for national unification, and strong suport for the fair and reasonabte initiatives and proposals of the Korean party, government and people aimed at reunifying the country in peace and sovereignty.

The Korean side welcomed the important results recorded by the Vietnamese people in implementing the renovation line worked out by the sixth congress of the Communist Party of Vietnam.

The two sides noted with satisfaction that the relations between the two parties, governments and people have made new steps of development since the visit to Korea by a delegation of the Vietnamese Government led by President Vo Chi Cong, and firmly believed that those relations will further develop in the interests of the two peoples, for peace and stability in Asia and the world. The Vietnamese sides expressed sincere thanks to the people of the Democratic People's Republic of Korea for their support and assistance to the Vietnamese people's revolutionary cause.

The Vietnamese side highly appreciated the DPRK Government's decision to provide Vietnam with non-profit credit for the building of the Hinh River Hydro-Electric Power Station.

On May 2, Deputy Foreign Minister Le Mai and Korean ambassador to Vietnam Yi Hong signed a plan on cultural and scientific cooperation between the two governments for 1991. Vice Minister Le Mai also signed with his countrpart, Cho Kyu-il, a memorandum of understanding on cooperation between the two foreign ministries.

The Korean delegation left here this morning concluding its Vietnam visit.

Do Muoi Extends Sympathy on Earthquake in USSR

BK0205154491 Hanoi VNA in English 1258 GMT 2 May 91

[Text] Hanoi VNA May 2—Chairman of the Council of Ministers Do Muoi today extended his sympathy to his Soviet counterpart, Valentin Pavlov, over the material and human losses caused by recent earthquakes in Georgia.

Do Muoi Visits Nam Dinh Textile Workers

BK0205062091 Hanoi VNA in English 0602 GMT 2 May 91

[Text] Hanoi VNA May 2—Do Muoi, Politburo member of the Communist Party of Vietnam Central Committee and chairman of the Council of Ministers, met in the provincial town of Nam Dinh, Ha Nam Ninh, on April 29 with a number of managers and representatives of the textile industry on the occasion of the 105th May Day. Chairman Do Muoi commended the textile workers and cadres for their achivements in recent years with the shift from the bureaucratic state-subsidized mechanism to the economic accounting mechanism, the modernization of their equipment and technologies, the initial approach to the world market....

Chairman Do Muoi pointed out: The tasks set for the light industry in general, the textile and apparel industries in particular, are very heavy, that is to better solve the question of wearing for the people (including clothes, footwear, headwear). The textile industry must quickly develop into an export-oriented branch within 5-10 years to come. To this end, he said, it has to find better solutions to its existing problems so as to stabilize its production.

It is important, he added, to develop the cotton and mulberry growing, to open the subcontracting for the production of export garment, to modernise the equipment so as to turn out higher and higher quality products, to link the home market to the world market, to mobilize all posible sources of capital for production and business.

Australia

Joint Japanese Conference Explores Trade Issues

OW0205144091 Tokyo KYODO in English 1359 GMT 2 May 91

[Text] Canberra, May 2 KYODO—Australia on Thursday urged Japan to open up its farm market by moving away from restrictions on agricultural imports and support of domestic agriculture, Australian Government officials said.

Summarizing the first day of ministerial talks between Australia and Japan, the officials said a move toward greater cooperation in regional and global issues was the main theme at the Japan-Australia Ministerial Committee held in Canberra.

Japanese Foreign Minister Taro Nakayama said "our relationship no longer requires us to exhaust our time on the settlement of particular bilateral issues," they said.

"It has entered a phase in which we develop potentials from a viewpoint of what we should do for peace and prosperity in the world and in particular the Asia-Pacific region," he was quoted as saying.

Australian Prime Minister Bob Hawke, in a lunchtime speech, encouraged Japan to take a leading role in world affairs, adding that Australia would not interfere with Japan's decision on what role to take.

Australian Foreign Ministry officials said Australia pressed Japan to remove restrictions on agricultural imports and stop support of domestic agriculture if it is to play a leading role in the Uruguay Round of multilateral trade negotiations under the General Agreement on Tariffs and Trade (GATT).

Japanese investment in Australia appeared to be the main area of disagreement in Thursday's talks.

Treasurer Paul Keating, in talks with Japanese Finance Minister Ryutaro Hashimoto, indicated that Australia would welcome greater investment from Japan, raising the current privatization of Australia's telecommunications and airlines as examples.

However, a Japanese vice minister for internal trade and industry implied that conditions for investment were unsatisfactory, stating that Japan hopes that Australia will be more positive in the area of trade related investment measures (TRIMS).

In discussions on the United Nations, Australia agreed to support Japan when the Asian non-permanent seat becomes vacant in the Security Council at the end of this year, and also supported the proposed deletion of the U.N. Charter's former enemy clause, agreeing that it is now out of date.

Evans and Nakayama also discussed briefly their respective positions on the issues of Cambodia, the Persian Gulf, the Soviet Union, and the Asia-Pacific region.

Discussions on Friday will center on specific areas of bilateral relations.

Talks Fail on GATT Efforts

BK0305112291 Hong Kong AFP in English 1101 GMT 3 May 91

[Excerpts] Canberra, May 3 (AFP)—The Australian Government failed in two days of talks ending here Friday to move Japan beyond verbal support for efforts to conclude the Uruguay Round of GATT negotiations as soon as possible.

The chances of success in the round would be "dramatically less" if it continued into 1992, Australian Foreign Minister Gareth Evans warned after the 11th Australia-Japan Ministerial Committee (AJMC) meeting.

Before the talks began Thursday, Australian officials said they hoped to persuade the Japanese to help break the deadlock in the General Agreement on Tariffs and Trade (GATT).

Australia has repeatedly blamed last year's collapse of the Uruguay Round on the refusal of major trading countries, notably in Europe, to cut domestic agricultural subsidies and liberalise trade.

"There is some ground for a reasonable degree of optimism" that the round would be concluded this year, Mr. Evans told a news conference here Friday.

"But agriculture is still the cause of the major impasse in those negotiations," he said, adding that Japan should show "some leadership" in helping to remove it.

Mr. Evans repeated a call to Japan made in his opening speech Thursday to "liberalise its own access provision so far as major agricultural commodities are concerned." [passage omitted]

Australian officials later tried to put a brave face on the two-day AJMC meeting, saying that it was "not the sort of forum where you can unilaterally force the Uruguay Round to an end."

Simply getting the Japanese to agree that the round should be concluded soon was "a step in the right direction," one official said.

Nine members of the Australian Government attended the AJMC, while Japan was represented by five cabinet ministers and a host of senior officials—the largest delegation, Mr. Evans said, since the inception of the AJMC in 1972.

Agreement was reached on a number of issues, specifically on the environment.

The two countries will cooperate on the global warming, marine pollution, rainforest protection and ecologically sustainable development, Mr. Evans told reporters.

They will also swap environmental technology for areas such as improving coal power station emissions and other industrial pollution controls.

Shozaburou Jimi, the Japanese parliamentary vice minister for International Trade and Industry agreed to arrange a Japanese investment mission to Australia this year.

This would be the first "of a number of missions from various countries" to examine opportunities in the science city known as the Multi-Function Polis (MFP) planned for Adelaide, South Australia, the Australian Foreign Ministry said in a statement. [passage omitted]

Papua New Guinea

Sabumei, Ray on Australian Defense Relationship

BK0105153291 Hong Kong AFP in English 1504 GMT 1 May 91

[Text] Port Moresby, April 1 (AFP)—Papua New Guinea urged Australia on Wednesday to treat it as an equal partner in defence arrangements instead of the junior partner in a father-son relationship.

Defence Minister Benais Sabumei told his visiting Australian counterpart Robert Ray that one should not see the other as the dominant power.

Australians should forget their long-held perception of a "father and son" relationship with Papua New Guinea, he said.

Mr. Sabumei, speaking at a lunch to welcome Mr. Ray for a three-day visit, said Papua New Guinea considered Australia "a security guarantee in the event of any major threat."

"Similarly, Australia considers Papua New Guinea to be a strategic outpost and (an) integral part of the region's stability, peace and harmony.

"In line with this perception, it is our view that the defence co-operation program should be geared towards promoting the national independence of both countries and not as a means for one to dominate the other."

Mr. Ray said Australia "very much recognised" that Papua New Guinea was a sovereign independent nation.

"The relationship you've described historically as father-to-son—that is, a fairly paternalistic relationship— must be buried, and I think has been buried," Senator Ray said.

"The future for our two countries is one of partnership, and of acting like brothers."

Mr. Ray is to discuss the Papua New Guinea-Australia defence cooperation program, the Bougainville crisis and longterm defence and security interests in further meetings, one including Prime Minister Rabbie Namaliu.

He is to open Papua New Guinea's naval base in Manus, which was built by Australia at a cost of 3.7 million kina (U.S. dollars).

Namaliu Says Bougainville Resistance 'Crumbling'

BK2804104291 Hong Kong AFP in English 1018 GMT 28 Apr 91

[By Jack Taylor]

[Text] Port Moresby, April 28 (AFP)—The Papua New Guinea Government claimed Sunday a major breakthrough in its fight to regain the rebel-held island of Bougainville.

Prime Minister Rabbie Namaliu told a news conference that rebel resistance was crumbling and the national government was winning back vital territory "without a shot being fired."

Following the recent landing on the island by 300 government troops, he said Port Moresby, with the support of northern Bougainville chiefs, was speeding up the normalisation process with the restoration of vital services.

He acknowledged remnants of the Bougainville Revolutionary Army (BRA) were still strong in some areas, but said its support was fading.

"I believe we are on the road to winning the hearts and minds of the people," he said.

The news conference by Mr. Namaliu and Defence Minister Ben Sabumei followed a visit to the island late last week by Mr. Sabumei during which he talked to 200 local representatives and a dozen chiefs.

The landing by troops more than two weeks ago was said to have jeopardised the tentative peace process evolving since the signing of a peace accord in Honiara earlier this year.

The uprising forced the closure two years ago of the Bougainville copper mine, one of the world's largest, in which the Australian company CRA Ltd holds a controlling share.

Mr. Namaliu also distanced himself from what have been seen as moves by Foreign Minister Sir Michael Somare to force the CRA to sell its Bougainville interests to a Chicago-based businessman.

The prime minister said if a solution to the crisis required that CRA divest its interests in the mine, then that would have to be given serious consideration.

"But if it is not necessary, then the obvious preference would be for CRA to continue," Mr. Namaliu said, adding that CRA was not "entirely to be blamed" for the 1988 uprising on the island.

Mr. Sabumei told the conference support for the BRA was waning and added that "hopefully in the next few weeks we will see the formal surrender of many BRA supporters."

This, he said, was partly due to the chiefs who were seeking to open contacts with the BRA leadership.

Mr. Sabumei said the chiefs wanted to rehabilitate youths aged between 12 and 17 who had played a major role in rebel activities.

Relations between local security forces and the community were "excellent" and the chiefs expressed a strong desire for the restoration of services to continue, he said.

Mr. Namaliu said rapid progress was now being made to fulfill a Honiara accord commitment to restore services and provide medicines and other supplies.

But he appealed to those leaders of the BRA, especially on central Bougainville where he said the rebels were still strongest, to play a positive role in the reconciliation process.